



PRADHIN LIMITED
CIN: L15100TN1982PLC009418

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Chennai, Tamil Nadu June 03, 1982 with the name 'Bhagwandas Metals Limited'. The Company on 01st November, 2018 changed its Name from 'Bhagwandas Metals Limited' to 'Pradhin Limited' issued by Registrar of Companies, Chennai. The Corporate Identification Number of Our Company is L15100TN1982PLC009418. For further details refer to the section titled 'about the Company' beginning on Page 57 of this Draft Letter of Offer.

Registered Office: 61, Sembudoss Street, Chennai, Tamil Nadu, India, 600001;
Contact Details: +91 99250 52000; **Contact Person:** Mr. Lokesh Rathi, Company Secretary & Compliance Officer;
Email-ID: info.pradhin@gmail.com **Website:** <https://pradhinglobal.com>

OUR PROMOTER: SAROJ JAYPRAKASH JALAN
FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF OUR COMPANY

RIGHTS ISSUE OF UP TO [●]*FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹10/- (RUPEE TEN ONLY) ('EQUITY SHARES') EACH AT A PRICE OF ₹[●]/- (RUPEES [●] ONLY) PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●]/- (RUPEES [●] ONLY) PER EQUITY SHARE) ('ISSUE PRICE') ('RIGHT SHARES') FOR AN AMOUNT AGGREGATING UP TO ₹49,00,00,000 (RUPEES FOURTY NINE CRORE ONLY) ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE SHAREHOLDERS OF PRADHIN LIMITED ('COMPANY' OR 'ISSUER') IN THE RATIO OF [●] RIGHTS SHARES FOR EVERY [●] EQUITY SHARES HELD BY SUCH ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE, [●] ('ISSUE'). THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE' BEGINNING ON PAGE 150 OF THIS DRAFT LETTER OF OFFER.

*Assuming full subscription.

PAYMENT METHOD OF THE ISSUE

The entire amount of the Issue Price of ₹[●] per Rights Equity Share shall be payable at the time of Application.

WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company, nor our directors are or have been categorized as wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

GENERAL RISK

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Right Shares have not been recommended or approved by Securities and Exchange Board of India ('SEBI') nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Investors are advised to refer 'Risk Factors' beginning on Page 23 of this Draft Letter of Offer before investing in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft 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 Draft 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.

LISTING

The Equity Shares offered through this draft letter of offer to be listed on the Platform of BSE Limited ("BSE"). Our Company has received the approval letter dated [●] from BSE for using its name in the offer document for listing of our shares on the Platform of BSE. Our Company will also make applications to the Stock Exchanges 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, the Designated Stock Exchange will be BSE.

REGISTRAR TO THE ISSUE

CAMEO CORPORATE SERVICES LIMITED
Subramanian Building No. 01, Club House Road,
Chennai, 600 002, India.
Telephone :: 044 4002 0700
Email: priya@cameoindia.com
Investor Grievance E: Mail: tolins@cameoindia.com
Website: www.cameoindia.com
Contact Person: K. Sreepriya
SEBI Registration Number: INR000003753
Validity: Permanent

ISSUE PROGRAMME

ISSUE OPENING DATE	LAST DATE FOR MARKET RENUNCIATION*	ISSUE CLOSING DATE**
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*Eligible 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.

**This Issue will remain open for a minimum 07 (Seven) days. However, the Board of Directors 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 Closing Date).

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DEFINITIONS

This Draft Letter of Offer uses the 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 Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the/our Company’, ‘we’, ‘our’, ‘us’ or similar terms are To Pradhin Limited as the context requires, and references to ‘you’ are to the Eligible Shareholders and/ or prospective Investors in this Issue.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ‘**Industry Overview**’, ‘**Statement of Tax Benefits**’, ‘**Financial Information**’, ‘**Outstanding Litigations, Defaults, and Material Developments**’ and ‘**Terms of the Issue**’ on page 60, 55, 82, 141 and 150 respectively, shall have the meaning given to such terms in such sections.

CONVENTIONAL/ GENERAL TERMS

Term	Description
Pradhin Limited/ the Company/ our Company	Pradhin Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time
We/ us/ our	Unless the context otherwise indicates or implies, refers to Pradhin Limited
ASBA	Application Supported by Blocked Amount;
AOA/ Articles of Association	The Articles of Association of Pradhin Limited, as amended from time to time;
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013;
Audited Financial Statements	The audited financial statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Years ending March 31, 2024;
Auditors/ Statutory Auditors/ Peer Review Auditor	The current statutory auditors of our Company M/S. S Parth &Co ., Chartered Accountants;
Board of Directors/ Board	Board of Directors of our Company;
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Mr. Lokesh Rathi;
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being[●].
Depositories Act	The Depositories Act, 1996 and amendments thereto;
DP/ Depository Participant	Depository Participant as defined under the Depositories Act;
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Pradhin Limited as on the Record Date;

Term	Description
Equity Shares	Equity shares of the Company having face value of ₹10/- (Rupee Ten only);
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ' Our Management ' beginning on page 77 of this Draft Letter of Offer;
ISIN	International Securities Identification Number being INE656B01019;
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled ' Our Management ' beginning on page 77 of this Draft Letter of Offer;
MOA/ Memorandum of Association	The Memorandum of Association of Pradhin Limited, as amended from time to time;
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 SEBI (LODR) Regulations and Section 178 of the Companies Act, 2013;
Promoters	Saroj Jayprakash Jalan is the Promoter of the Company
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with the BSE Limited under the SEBI (LODR) Regulations; Sachin Jayprakash Jalan, Bobby Sonthalia, Govind Prasad Huf are the Promoter group of the company
Registered Office	61,Sembudoss Street, Chennai, Tamil Nadu, India, 600001
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 (LODR) Regulations Section 178 of the Companies Act, 2013;
Stock Exchange/ Designated Stock Exchange	BSE Limited(BSE)
Unaudited Limited Review Financial Statements	The unaudited financial statements of our Company for the quarter ending June 30,2024, prepared in accordance with Indian Accounting Standards.

ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Shareholders with respect to the Issue in accordance with the provisions of the SEBI (ICDR) Regulations and the Companies Act;
Additional Right Shares	The Right Shares applied or allotted under this Issue in addition to the Rights Entitlement;
Allot/Allotment/Allotted	Unless the context requires, the allotment of Right Shares pursuant to this Issue;
Allotment Account	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and Application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer

Term	Description
	Date in accordance with Section 40 (3) of the Companies Act;
Allotment Advice	Note, advice, or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Right Shares pursuant to this Issue;
Allotment Date	Date on which the Allotment is made pursuant to this Issue;
Allottees	Person(s) who are Allotted Rights Equity Shares pursuant to the Allotment;
Applicant(s)/ Investor(s)	Eligible Shareholder(s) and/or Renouncee(s) who make an application for the Right Shares pursuant to this Issue in terms of the Letter of Offer, including an ASBA Investor;
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch(es) 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 available for submission of application using 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 at the time of Application ₹[●] (Rupees [●] Only) in respect of the Right Shares applied for in this Issue at the Issue Price;
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renouncees) shall make an application for an Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
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, and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being [●];
Bankers to the Issue Agreement	Agreement dated [●] entered into by and amongst our Company and the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from Investors making an application through the ASBA facility, 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, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the

Term	Description
	agreement;
Basis of Allotment	The basis on which the Right Shares will be Allotted to successful Applicants in the Issue, and which is described in the section titled ' <i>Terms of the Issue</i> ' beginning on page 150 of this Draft Letter of Offer;
Common Application Form / CAF	The application form used by Investors to make an application for Allotment under the Issue
Consolidated certificate	The certificate that would be issued for Rights Shares Allotted to each folio in case of Eligible Shareholders who hold Equity Shares in physical form
Controlling Branches /Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes ;
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/husband, investor status, occupation and bank account details, where applicable;
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Draft Letter of Offer/ DLoF	This draft letter of offer dated September 18,,2024, filed with BSE Limited (BSE), in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approval;
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date i.e. [●]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders
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 making an Application through the ASBA facility;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●];
Issue/ Rights Issue	Rights Issue of up to [●] Equity Shares of our Company for cash at a price of ₹[●] (Rupees [●] Only) per Right Shares aggregating upto ₹49,00,00,000 (Rupees Fourty Nine Crore only) on a rights basis to the Eligible Shareholders of our Company in the ratio of [●] ([●]) Right Shares for every [●] ([●]) Equity Shares held by the Eligible Shareholders of our Company on the Record Date i.e. [●]; On Application, Investors will have to pay entire amount of ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price;
Issue Closing Date	[●]
Issue Material	Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter or any offering materials, corrigendum, or advertisements in

Term	Description
	connection with this Issue
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their Applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Size	Amount aggregating up to ₹49,00,00,000 (RupeesFourty NineCrore only)
Letter of Offer/ LoF	The final letter of offer to be filed with the BSE Limited(BSE) after incorporating the observations received from the BSE Limited on the Draft Letter of Offer;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 46 of this Draft Letter of Offer;
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renouncees;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;
Offer Document	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigendum thereto;
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 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 [●];
Payment Schedule	Payment schedule under which [●]% ([●] percent) of the Issue Price is payable on Application, i.e, ₹[●] (Rupees [●] Only) per Right Shares.
QIBs or Qualified Institutional Buyers	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 Equity Shareholders eligible to apply for Right Shares, being [●];
Refund through electronic transfer	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;

Term	Description
of Funds	
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar to the Issue	Cameo Corporate Services Limited
Registrar Agreement	Agreement dated [●] entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue, including in relation to the ASBA facility;
Renounees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible 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 Renounee on or prior to the Issue Closing Date i.e. [●];
Rights Entitlement (s)/ RES	The number of Right Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being [●] Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder; The Rights Entitlements with a separate ISIN '[●]' will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Shareholders. The Rights Entitlements are also accessible through the ASBA and the link for the same will be available on the website of our Company;
Right Shares	Equity Shares of our Company to be Allotted pursuant to this Issue
Self-Certified Syndicate Banks/ SCSB(s)	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , 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 https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time;
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter or Fraudulent Borrower	A Company or person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any Company whose director is categorized as such, as defined under

Term	Description
	Regulation 2 (1) (III) of the SEBI (ICDR) Regulations;
Working Day(s)	In terms of Regulation 2(1) (mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Chennai 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 Indore are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Right 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;

Technical and Industry Related Terms

Term	Description
AEs	Advanced Economies
APEDA	Agricultural and Processed Food Products Export Development Authority
APMA	Agriculture Produce Markets Acts
ASEAN	Association of Southeast Asian Nations
BIS	Bureau of Indian Standards
BSE	Bovine Spongiform Encephalopathy
CAFO	Concentrated animal feeding operations
CBPP	Contagious Bovine Pleuropneumonia
CWE	Carcass Weight Equivalent
DAHD	Department of Animal Health and Dairying
DARE	Department of Agricultural Research and Education
EMDEs	Emerging Market and Developing Economies
EMEs	Emerging Market Economies
EU	European Union
FMD	Foot and mouth disease
FSSAI	Food Safety and Standards Authority of India
HACCP	Hazard Analysis and Critical Control Points
HORECA	Hotel, Restaurant and Café
ICAR	Indian Council of Agricultural Research

ABBREVIATIONS

Term	Description
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAF	Common Application Form
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
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
CSR	Corporate Social Responsibility
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
Depositories Act	The Depositories Act, 1996, including subsequent amendments thereto
DIN	Director Identification Number
DP	Depository Participant
DP-ID	Depository Participant's Identification
DR	Depository Receipts
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
EGM	Extraordinary General Meeting
EEA	European Economic Area
EPC Services	Engineering, Procurement, and Construction services
EPS	Earning per Equity Share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019

Term	Description
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FY/ Financial Year	Period of 12 months ended March 31 of that particular year, unless otherwise stated
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GDR	Global Depository Receipt
GNPA	Gross Net Performing Assets
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
Ind AS	Indian Accounting Standards
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Indian GAAP/ I-GAAP	Generally Accepted Accounting Principles In India
Income Tax Act/ IT Act	The Income Tax Act, 1961 and amendments thereto
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended
INR / ₹ / Rs./ Indian Rupees	Indian Rupee, the official currency of the Republic of India
IST	Indian Standard Time
IT	Information Technology
MCA	The Ministry of Corporate Affairs, Government of India
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
NCT	National Capital Territory, Delhi
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer.
BSE	Bombay Stock Exchange of India
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 the 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 include reserves created out of revaluation of assets, write back of depreciation and amalgamation
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are

Term	Description
	currently in effect
NR/ Non- Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI
NRE	Account Non-resident external account
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
BSE	Bombay Stock Exchange of India Limited
OCB	Overseas Corporate Body
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
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
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 (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto
SEBI Rights Issue Circulars / SEBI Right Issue Circulars / SEBI Rights Issue Circular	SEBI circular, 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 and SEBI circular, bearing reference no. SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
Securities Act	United States Securities Act of 1933, as amended
STT	Securities transaction tax
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

NOTICE TO INVESTORS

The distribution of this 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 this 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 this 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, this 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 this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges, 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 this 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 this 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, this 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 this 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 this 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 this 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, 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 authorized 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 this 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 this 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 THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT 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 / 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 this 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.

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 authorized 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.

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.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” contained in this Letter of Offer are to the Republic of India and the “Government” or “GoI” or the “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, all references in this Letter of Offer are in Indian Standard Time. 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 or the context requires otherwise, our financial data included in this Letter of Offer is derived from the Audited Financial Statements of our Company as of and for the financial year ended March 31, 2024

We have prepared our Audited Financial Statements of our Company as of and for the financial year ended March 31, 2024 in accordance with Indian Accounting Standard (Ind AS), Companies Act, and other applicable statutory and / or regulatory requirements. Our Company publishes its financial statements in Indian Rupees.

For details of the Audited Financial Statements for the financial year ended March 31, please refer to the section titled “*Financial Statements*” beginning on page 82 of this Letter of Offer.

Our Company’s Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

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.

CURRENCY OF PRESENTATION

All references in this Draft Letter of Offer to ‘Rupees’, ‘Rs.’, ‘₹’, ‘Indian Rupees’ and ‘INR’ are to Rupees, the official currency of the Republic of India.

All references to ‘U.S. \$’, ‘U.S. Dollar’, ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

Please Note:

One lakh is equal to 100 thousand;
One crore is equal to 10 million/100 lakhs;
One million is equal to 1,000,000/10 lakhs;
One billion is equal to 1,000 million/100 crores;

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout this Letter of Offer has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that industry data used in this Letter of Offer is reliable, it has not been independently verified.

The industry data used in this Letter of Offer has not been independently verified by our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

The extent to which market and industry data used in this Letter of Offer is meaningful depends on the reader's familiarity with and understanding of methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which our business is conducted, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 23 of this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

FORWARD LOOKING STATEMENTS

We have included statements in this Draft 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’.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the 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, technological changes, our exposure to market risks, general economic and political conditions 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 domestic laws, regulations and taxes, changes in competition in its industry and incidents of any 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:

1. Uncertainty of the continuing impact of the pandemic on our business and operations;
2. General economic and business conditions in India and in the markets in which we operate and in the local, regional, and national economies;
3. Changes in laws and regulations relating to the sectors and industry in which we operate;
4. Realization of Contingent Liabilities;
5. Occurrence of uninsured losses;
6. Factors affecting the industry in which we operate;
7. Our ability to meet our capital expenditure requirements;
8. Our ability to successfully implement our growth strategy and expansion plans and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
9. Fluctuations in operating costs;
10. Our ability to attract and retain qualified personnel;
11. Our failure to keep pace with rapid changes in technology;
12. 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;
13. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
14. Any adverse outcome in the legal proceedings in which we/our group companies are involved;
15. Other factors beyond our control;
16. Our ability to manage risks that arise from these factors;
17. Changes in Government policies and Regulatory actions that apply to or affect our business;
18. Conflicts of interest with affiliated companies and other related parties;
19. The performance of the financial markets in India and globally.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled ‘*Risk Factors*’ beginning on page 23 of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could materially differ from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or advisors does not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and BSE’s requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the BSE.

SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled '**Risk Factors**', '**Objects of the Issue**', '**Business Overview**' and '**Outstanding Litigations, Defaults and Material Developments**' beginning on pages 23,46,73 and 141 of this Draft Letter of Offer, respectively.

SUMMARY OF OUR BUSINESS

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Chennai dated June 13, 1982 with the name 'Bhagwandas Metals Limited'. The Company on 01st November, 2018 changed its Name from 'Bhagwandas Metals Limited' to 'Pradhin Limited' issued by Registrar of Companies, Chennai. The Corporate Identification Number of Our Company is L15100TN1982PLC009418.

Our Company is listed on the BSE Limited (BSE) effective from May 10, 1995 bearing Symbol 'PRADHIN'. The ISIN of our company is INE656B01019. And the Scrip code is 530095.

Pradhin Limited offers a diverse range of services across the steel and agriculture sectors and Dairy products.

SUMMARY OF OUR INDUSTRY

Milk production & consumption in India: India has come a long way since the milk deficit days to becoming the world's largest producer as well as consumer of milk. Globally, the EU, India and the United States are currently the largest milk and dairy product producers and consumers. The Indian dairy industry owing to favourable demographics will drive multiyear growth in the industry. The shift from "unorganised" to "organised" market and consumer upgradation from 'pouch milk /powders' to 'value-added dairy products' will provide strong growth opportunities. In India, the unorganised segment comprising of 'local vendors' and 'self-consumption' commands a lion's share of 80% by value. The organised segment is divided between 'cooperatives' and 'private dairy companies'. The share of organised segment has gradually increasing. However, with rising disposable incomes and burgeoning proportion of working women, there will be greater consumption of value added dairy products.

Steel is one of the world's most essential materials. It is fundamental to every aspect of our lives, including construction, transportation, machinery, appliances, and packaging. The steel industry plays a vital role in the global economy and significantly impacts employment, trade, infrastructure development, and the growth of other industries. However, it also faces multiple challenges, including environmental concerns, fluctuating demands and raw material prices, and intense competition.

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for ~55% of India's population. India has the world's largest cattle herd (buffaloes), the largest area planted for wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. The agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. Thus, farmers become an integral part of the sector to provide us with a means of sustenance.

OBJECTS OF THE ISSUE

The details of Issue Proceeds are set forth in the following table:

Particulars	Amount(In lakhs)
Net Proceeds from the Issue#*	4900.00
Less: Estimated Issue related Expenses	75.00
Net Proceeds from the Issue	4825.00

assuming full subscription and allotment

*The Issue size will Not Exceed ₹49,00,00,000 (Rupees Forty Nine Crore Only) If There Is Any Reduction in the amount on Account of or at the time of finalization of issue price and Rights Entitlements Ratio, the same will be adjusted against [●]

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

Sr. No.	Particulars	Amount (In lakhs)
1.	Working Capital Requirement	4375.00
2.	General Corporate purposes#	450.00
	Total Net Proceeds	4825.00

#To be finalized on determination of the Issue Price and updated in the Letter of Offer prior to filing with the Stock Exchanges. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please refer to the chapter titled '*Objects of the Issue*' beginning on page 46 of this Draft Letter of Offer.

OUR PROMOTERS

The Promoter of our Company is Mr. Saroj Jayprakash Jalan.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS AND PROMOTER GROUP

Pursuant to the letter dated September 18, 2024 Promoter and Promoter group, has undertaken that they will (a) subscribe, jointly and / or severally to the extent of their Rights Entitlements. (b) subscribe to the extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or Member(s) of the Promoter Group of our Company; and (c) subscribe to, either individually or jointly and / or severally with any other Promoters or Member(s) of the Promoter Group, for additional Rights Equity Shares, including subscribing to the unsubscribed portion (if any) in this Issue.

The aforementioned subscription of Rights Equity Shares and Additional Equity Shares by our Promoter shall not result in a change of control of the management of our Company and shall not result in an obligation on our Promoter to make an open offer to the public shareholders of our Company in terms of the SEBI Takeover Regulations. Further, as on the date of this Letter of Offer, our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable laws, pursuant to this Issue.

FINANCIAL INFORMATION

The following table sets forth the summary financial information derived from the Audited Financial Statements, for Financial Years and quarter ended March 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Ind (AS) and the Companies Act, 2013.

(In Rs.)

Particulars	Financial Statements for the Financial Year ending			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	3,64,69,000	3,64,69,000	3,64,69,000	3,64,69,000
Net Worth	6,62,59,000	6,08,25,000	6,18,48,000	5,84,73,000
Total Income	5,43,90,000	17,18,88,000	20,31,62,000	24,01,36,000
Profit / (loss) after tax	54,33,000	(10,24,000)	33,75,000	(22,70,000)
Basic and diluted EPS	1.49	(0.28)	0.92	(0.62)
Total borrowings	1,09,09,000	87,57,000	82,77,000	77,37,000

Qualifications of the Auditors

There are no qualifications, reservations and adverse remarks made by our Statutory Auditors in their report which requires any adjustment to audited financial statements of the Company for the last 2 financial years, i.e. FY 2023-24 and FY 2022-23

Summary of Contingent Liabilities

For details regarding our contingent liabilities for FY 2024 and FY 2023.

OUTSTANDING LITIGATIONS

Nature of cases	Number of cases	Amount involved (₹)
Litigations involving our Company	i.	ii.
Litigation Involving Actions by Statutory/Regulatory Authorities	1	35,82,000
Litigation involving Tax Liabilities	1	5,39,000
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	NIL	NIL
Proceedings involving Material Violations of Statutory Regulations by our Company	NIL	NIL
Matters involving economic offences where proceedings have been initiated against our Company	NIL	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	NIL
Litigation involving our Directors	NIL	NIL
Litigation involving our Group Companies	NIL	NIL

For further details, please refer to section titled '*Outstanding Litigations, Defaults and Material Developments*' beginning 141 of this Draft Letter of Offer.

RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled '*Risk Factors*' beginning on page 23 of this Draft Letter of Offer.

CONTINGENT LIABILITIES

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' beginning on page 82 of this Draft Letter of Offer.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' beginning on page 82 of this Draft Letter of Offer.

FINANCING ARRANGEMENTS

There are no financing arrangements wherein the the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Letter of Offer

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

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective Investors should carefully consider all the information disclosed in this Letter of Offer, including the risks and uncertainties described below and the “Financial Statements” on page 82 before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 77, 60 and 126, respectively, as well as the other financial information included in this Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.

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: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, see “Forward Looking Statements” on page 18.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Financial Statements included in this Letter of Offer. For further information, see “Financial Statements” on page 82. In this section, unless the context otherwise requires, a reference to “our Company” on a standalone basis.

INTERNAL RISK FACTORS

1. Agriculture business is subject to risks related to weather, disease and pests that could adversely affect the results of our operations and our financial condition.

Agri-inputs industry is subject to all the risks faced by the agriculture in India. The Agri-inputs industry is substantially subject to weather factors, which make its operational results relatively unpredictable. Weather among other factors also affects the presence of disease and pests in the short term on a regional basis. Though most of our products are prepared keeping tolerance levels in mind, extreme weather conditions, disease and pests can potentially affect quality and quantity of a substantial portion of our products in any year and have a material adverse effect on our business, results of operations and financial condition.

2. The Agri-inputs business is highly seasonal in our country and such seasonality may affect our operating results.

The Agri-inputs business is highly seasonal in our country. Our raw material supplies are seasonal and our sales are also seasonal in nature. This is due to the fact that majority of our seed products, at present, are sold in the Kharif season though some products are also sold in the Rabi season. Further, majority of the farmers depend on rain for cultivation. Generally, rainfall occurs during Kharif season and hence, the timing and seasonality of rainfall also impacts the business of our Company. Thus, we are subject to seasonal factors, which make our operating results relatively unpredictable. We recognize revenues upon the sale of our agri-input products. Our sales activities, as far as seeds are concerned, take place only after the seeds have been planted, harvested and prepared for sale. Traditionally, the revenues recorded during planting and harvesting seasons are lower compared to revenues recorded during the periods following such seasons. During periods of lower sales activities, we continue to incur substantial operating expenses, but our revenues are usually lower. Due to the inherent seasonality of our business, results of one reporting period (quarter/half year/year) may not be necessarily comparable with preceding or succeeding reporting periods.

Further, the results of one reporting period (particularly quarters, half years) may not be compared to the other reporting period because sales of the first half of the financial year i.e. April to September are generally more compared to the second half of the

financial year i.e. October to March. Sometimes, if there is a slight change in timing of rain fall, the sales will get deferred from one reporting period to another reporting period. For example, generally part of sales of cotton, corn, sunflower take place in the month of March, but if the rainfall gets delayed, these sales will take place during subsequent months that fall under different financial year. The sales that were supposed to take place during one financial year will be added to sales of the next financial year and therefore results of even full financial year may not necessarily be comparable to other financial year.

3. The steel industry is affected by global economic conditions. Slower than expected or uneven growth of the global economy or a renewed global recession could have a material adverse effect on the steel industry and us.

Our business and results of operations have been and continue to be affected by international, national and regional economic conditions. Following the global financial crisis in 2007 to 2009, the Eurozone crisis in 2009 to 2013 and the decline in commodity prices that began in 2014, there has been significant volatility in number of indicators, making it more difficult to forecast short and medium term growth. Rates of economic growth have significant impacts on substantial consumers of steel products, such as the automotive and the construction industries and declines in steel consumption caused by poor or unfavorable economic conditions in one or more of our major markets or by the deterioration of the financial condition of our key customers would have a material adverse effect on demand for our products and hence on our business and results of operations. Unfavorable economic conditions in any of our key markets could have a material adverse effect on our business, results of operations, financial condition and prospects.

4. Our business operations are dependent on supply of large amounts of raw milk, and an inability to procure adequate amounts of quality raw milk at competitive prices could adversely affect our results of operations.

Raw milk is the primary raw material used in the production of all our dairy products, and our business operations are dependent on our ability to procure sufficient amounts of quality raw milk at commercially viable prices. Our raw milk procurement model involves direct purchase of a majority of our raw milk requirements from registered milk vendors and contract milk suppliers. While we believe we have developed a strong relationship with these milk vendors, we have not entered into any formal supply contracts with such vendors. There can be no assurance that we will be able to procure all of our future raw milk requirements at commercially viable prices, or that we will be able to pass on any increases in the procurement price of raw milk to our customers. Furthermore, in the event that such milk vendors or contract milk suppliers discontinue their supply to us or if we are unable to source quality raw milk from other suppliers at competitive prices, we may not be able to meet our production and sales targets. Interruption of, or a shortage in the supply of, raw milk may result in our inability to operate our production facilities at optimal capacities or at all, leading to a decline in production and sales. In addition, competition in the dairy industry may result in an increase in raw milk prices, which we may not be able to match, thereby affecting our supply of raw milk. An inability to procure sufficient quality raw milk at reasonable cost, or an inability to pass on any increases in the price of raw milk to our customers could adversely affect our business, results of operations and financial condition.

5. The dairy products business in India is evolving rapidly and is highly competitive and an inability to compete effectively with established and new competitors may adversely affect our growth prospects, results of operations and financial condition.

The dairy products industry in India is highly competitive, especially the markets for pasteurized milk, UHT milk, flavored milk, curd (dahi), ice cream and cheese. These products are experiencing rapid development and increasing competition. We currently compete, and in the future will continue to compete, with large multinational companies, as well as regional and local companies in each of the regions in which we operate. In our consumer products business, we compete not only with widely advertised and established branded products, but also with non-premium dairy producers as well as private and economy brand products that are generally sold at lower prices. Many of our competitors may have substantially greater financial and other resources than we have and may be better established with greater brand recognition in the retail consumer business than we have. Our competitors in certain regional markets may also benefit from raw material sources or production facilities that are closer to the markets for the downstream products or may benefit from integrating upstream and downstream production processes, which provides them with competitive advantages in terms of costs and proximity to consumers.

6. The loss, shutdown or slowdown of operations at any of our facilities or the under-utilization of any such facilities may have a material adverse effect on our results of operations and financial condition.

Our business and results of operations are dependent on our ability to effectively plan our production processes and on our ability to optimally utilize our production capacities for the various dairy products we plan to manufacture. Any disruption to our production process or the operation of our production facilities may result from various factors beyond our control, including, among others, the following:

- utility supply disturbances, particularly power and water supply;
- forced close down or suspension of our production facilities due to factors such as breakdown or failure of equipment, performance below expected levels of output or efficiency, facility obsolescence or disrepair, labour disputes such as strikes and work stoppages, natural disasters and industrial accidents;
- severe weather condition;
- interruption of our information technology systems that facilitate the management of our production facilities;and
- other production or distribution problems, including limitations to production capacity due to regulatory requirements, changes in the types of products produced or physical limitations that could impact continuous supply.

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

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

8.Improper storage, processing or handling of raw milk and our dairy products may result in spoilage of, and damage to, such raw milk and dairy products which may adversely affect our business prospects, results of operations and financial condition.

We produce a range of dairy products from raw milk, including sweetened condensed milk, pasteurized milk, UHT milk, flavored milk, yogurt, dairy whitener, skimmed and whole milk powder, clarified butter (ghee), and ice cream. Each such dairy product involves specific temperatures and other conditions of storage depending on the nature of the product. In the event that the procured raw milk or our dairy products are not appropriately processed, stored, handled and transported under specific temperatures and other food safety conditions, the quality of such raw milk and dairy products may be affected, resulting in spoilage or contamination. Any accident or negligence in the procurement, production or storage of our products under sub-optimal conditions may result in non-compliance with applicable regulatory standards or quality standards and storage conditions specified by our customers for such products. Any sale of such non-compliant product may be harmful to the health of end consumers of our dairy products, and any such event may expose us to liabilities and claims which could adversely affect our brand image and reputation. Any such event may have a material and adverse effect on our business prospects, results of operations and financial condition.

9.Any shortage or non-availability of electricity or water may adversely affect our production processes and have an adverse impact on our results of operations and financial condition.

Our operations involve a significant amount of electricity as our raw materials including milk, and dairy products are required to be stored at specified temperatures and require significant refrigeration facilities. The production processes of certain of our dairy products also require significant power.

Temperature control becomes essential in relation to, processing and preservation of our raw milk and other raw materials and our dairy products, some of which have relatively short shelf lives. We depend on State electricity supply for our power requirements. An interruption in power supply may occur in the future as a result of any natural calamity, technical fault, shortage of power or other factors beyond our control. This could also result in an increase in the cost of power. We are also dependent on the availability of adequate water for use in our production processes. Lack of sufficient power or water resources or an increase in the cost of such power and water may adversely affect our business, results of operations and financial condition.

10. If we fail to anticipate and respond to changes in consumer preferences, demand for our dairy products could decline.

The success of our business operations, particularly in our retail consumer business, depends on our ability to anticipate, identify, interpret and react to the evolving tastes, dietary habits and nutritional needs of consumers and to offer products that appeal to them. Sales of our products could be affected by nutritional and health-related concerns about our products, such as fat, cholesterol, calorie, sodium, lactose, sucrose, bacteria and other ingredients contained in the products. Consumer trends in the dairy industry are constantly changing and our failure to anticipate, identify, interpret and react to these changes, or our failure to generate consumer acceptance or recognition of our new products, could lead to, among others, reduced demand for and/or price reductions of our products. In addition, medical and other studies released from time to time raise health concerns over cow milk in the human diet, which may result in a decrease in demand for dairy products. Such developments may have an adverse effect on consumer preferences and our results of operations and financial condition.

Even if we are successful in anticipating, identifying, interpreting and reacting to evolving consumer trends, there can be no assurance that we will be able to successfully compete in these new businesses; that demand for these new products will grow to the extent that we expect; or that these new businesses and products will provide the returns that we expect. If we are unable to respond to changes in consumer preferences in a timely manner or at all, or if our competitors are able to address these developments more effectively or efficiently, our business, results of operations and financial condition could be materially and adversely affected.

11. We face risks and uncertainties associated with the implementation of expansion and new projects which may impact our business, operations and revenue.

Our business plan includes expansion of our institutional customers for growth opportunities and thereby increase the revenue. We may face risks and uncertainties in relation to expansion and achieving our business plans efficiently, which may include various factors i.e. we may face difficulties in recruiting, training and retaining sufficient skilled labour, technical and management personnel and inability to or difficulty in satisfying clients expectations. This may adversely affect our business, results of operation and revenues.

12. Our success depends on our ability to manage our growth which could disrupt our business and reduce our profitability.

We and expect our business to grow significantly as a result of our expanded operations by increasing our operations, raw milk procurement volumes, increasing sales of institutional products, expanding our consumer business, targeting niche customer segments, expanding our distribution platform, and continue to increase our brand penetration. We expect this growth to place demands on us requiring us to continuously evolve and improve our operational, financial and internal controls across the organization. In particular, we may face increased challenges in:

- maintaining high levels of customer satisfaction;
- recruiting, training and retaining sufficient skilled management, technical, execution and marketing personnel, and our distributors;
- adhering to health, safety and environment and quality and process execution standards;
- preserving a uniform culture, values and work environment across our operations; and
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems.

13. An inability on our part to keep pace with technological developments could adversely affect our business, results of operations and financial condition.

We use advanced technology systems to manage our raw milk procurement, production processes as well as product distribution. A fault in or disruption to our information technology systems could cause disruption to our business. In addition, technological advances from time to time may result in our systems, methods or production facilities becoming obsolete. Failure to keep up to date with such changes could result in our competitors having an advantage over us, which could impact negatively upon both our financial performance and our reputation. Any significant upgrade to or replacement of our systems could require considerable capital expenditure, which could affect our results of operations and financial condition.

14. As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations.

Any non-compliance/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties. The Equity Shares of our Company are listed on BSE Limited, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations.

Our Company endeavors to comply with all such obligations/reporting requirements, there may be nondisclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

15. We may not be able to retain or secure key qualified personnel, key senior management or other personnel for our operations.

We depend on certain key qualified personnel, key senior management and other employees in our business. The expertise, industry experience and contributions of our senior management are crucial to our success. There can be no assurance that such persons will continue to provide services to us or will honor the agreed upon terms and conditions of their employment contracts. Any loss of key personnel or failure to recruit and retain personnel for our future operations and development may have a material adverse effect on our business.

16. We have experienced negative cash flows in the past. Any such negative cash flows in the future could adversely affect our business, results of operations and prospects.

The following table sets forth our cash flow for the periods indicated:

Particulars	For the Financial year ended March 31,2024	For the Financial year ended March 31,2023	For the Financial year ended March 31,2022	For the Financial year ended March 31,2021
Net Cash from Operating Activities	1,66,000	(11,13,000)	(4,48,000)	(11,72,000)
Net cash from Financing Activities	(3,21,000)	(1,41,000)	2,33,000	(51,000)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares.

17. We do not own our Registered Office from which we operate.

We do not own the premises on which our Registered Office is situated. Our Company has taken the registered office on lease & license basis. If the owner of the premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavorable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

18. Our Company's management will have flexibility in utilizing the Net Proceeds. There is no monitoring agency appointed by our Company and the deployment of funds is at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.

As the Issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI (ICDR) Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of

Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue,.

17. 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.

18. Cyber-attacks or any failure, inadequacy and security breach in our information technology systems may adversely affect our business.

Our business is particularly susceptible to such disruptions because of our reliance on technology platforms and tools and the higher cost of installation and implementation of technology. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of products.

Our operations also rely on the secure processing, storage transmission of confidential and other information in our computer systems and networks. Our computer systems, servers, software, including software licensed from vendors and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security and result in identity theft including customer data, employee data and proprietary business data, for which we could potentially be liable. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our business.

19. Our Company's infrastructure, including its network equipment and systems are vulnerable to natural disasters, security risks and other events that may disrupt its services and could affect its business, financial condition, cash flows and results of operations.

Our business depends on providing customised software to its customers. The delivery of our products and services, however, may be subject to disruptions resulting from numerous factors, including component failure, theft of fibre or cable and equipment, fire, explosion, flood, power failure, overheating or extreme cold, problems encountered during upgrades and major changes, leakage of customer data, the failure of key suppliers, signal jamming, acts of terrorism and vandalism, system failures and breaches of network or information technology security and could adversely affect our business, results of operations and financial condition.

20. There are outstanding Litigations against our Company.

- Disputed Tax Liabilities in respect of demand raised by Income Tax Authorities for the AY 18-19 for disallowances/additions made by the Deptt. pending litigation before Appellate Authorities of Rs 5,39,000.
- The Company is involved in a number of legal proceedings for the recovery of trade receivables and advances with the aggregate amount of Rs.35.82 Lacs which are yet to be concluded upon. The Directors evaluated the pending cases, and considered the legal intricacies and time involved in the settlement of these cases

ISSUE SPECIFIC FACTORS

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 Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible 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 dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees 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 Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements.

2. ***The Rights Entitlement of Physical Shareholders may lapse in case they fail to furnish the details of their demat account to the Registrar.***

In accordance with the SEBI Circular bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13' dated January 22, 2020, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least 1 (One) day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 03, 2018 issued by the SEBI, with effect from April 01, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

3. ***SEBI has recently, by way of Rights Issue Circulars streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible 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. For details, see '**Terms of the Issue**' on page 150 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Right 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 Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely being [●]) opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:

- (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
- (b) Equity Shares held in the account of IEPF authority; or
- (c) The demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or
- (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in the physical form on the Record Date the details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
- (e) Credit of the Rights Entitlements returned/reversed/failed; or
- (f) The ownership of the Equity Shares currently under dispute, including any court proceedings.

4. ***You may be subject to Indian taxes arising out of capital gains on the sale of the Right Shares and Rights Entitlement.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian Company are generally taxable in India. 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 the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a 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 gains made upon the sale of the Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 01, 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, and 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 and have come into effect from July 01, 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. ***Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading our Equity Shares Allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for our Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that our Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

6. ***There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by BSE until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

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

Under the Companies Act, any Company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

8. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in

the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

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

In terms of the SEBI ICDR Regulations, the 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 Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under 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 or financial condition, or other events affecting the Applicant's decision to invest in the Rights 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 our 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 the Rights Equity Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealised loss as a result. We may complete the Allotment even if such events may limit the Applicant's ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

10. ***Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

11. ***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.

12. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the 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 our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

Furthermore, prior trading prices may not be indicative of future trading values for the Rights Equity Shares. A stock exchange may halt secondary market trading in our Equity Shares due to market conditions or other reasons. Furthermore, an exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, all of which may have an adverse impact on our Shareholders' ability to sell their Equity Shares or the price at which Shareholders may be able to sell their Equity Shares at any given time.

EXTERNAL RISK FACTORS

1. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, cash flows and financial condition.

India is our key market. For Fiscal 2024, entire of our Company's revenue from operations was from India. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and our business, results of operations, cash flows and financial condition.

2. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.

Our business is subject to various laws and regulations, which are evolving and subject to change. We are also subject to corporate, taxation and other laws in effect in India, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations, cash flows and financial condition.

3. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as , acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India, or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

4. Significant differences exist between Ind AS and Indian GAAP and other accounting principles, such as IFRS and US GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.

Our financial statements for Fiscals 2019, 2018 and 2017 included in this offer documents are prepared and presented in conformity with Indian GAAP and restated in accordance with the requirements the SEBI (ICDR) Regulations and the Guidance Note on "Reports in Company Offer Documents (Revised 2016)" issued by the ICAI. Ind AS differs from Indian GAAP and other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Offer Documents will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on September 18,2024, in pursuance of Section 62 of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been determined by Rights Issue Committee formed by the Board of Directors at their meeting held on [●].

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in ‘*Terms of the Issue*’ on page 150 of this Draft Letter of Offer.

Equity Shares outstanding prior to the Issue	36.46.900 Equity Shares;
Right Shares offered in the Issue	Up to [●] Right Shares;*
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	[●] Equity Shares;
Rights Entitlement	[●] Equity Shares for every [●] Equity Shares held on the Record Date;
Record Date	[●]
Fractional Entitlement	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 [●] ([●]) Equity Shares or is not in multiples of [●] ([●]), 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.
Face Value per Equity Share	₹10/- (Rupee Ten Only) each;
Issue Price per Equity Share	₹[●]/- (Rupees [●] Only) including a premium of ₹[●]/- (Rupees [●] Only) per Rights Equity Share
Issue Size	Up to ₹49,00,00,000. (Rupees Forty Nine Only)
Terms of the Issue	Please refer to the section titled ‘ <i>Terms of the Issue</i> ’ beginning on page 150 of this Draft Letter of Offer.
Use of Issue Proceeds	Please refer to the section titled ‘ <i>Objects of the Issue</i> ’ beginning on page 46 of this Draft Letter of Offer.
Security Code/ Scrip Details	ISIN: INE656B01019; BSE Scrip ID: PRADHIN and BSE Scrip Code: 530095 ; ISIN for Rights Entitlements: [●]

**For Right Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of 1 (One) additional Rights Equity Share each, if such Eligible Shareholders have applied for additional Right Shares over and above their Rights Entitlements;*

TERMS OF PAYMENT

The entire amount of the Issue Price of [●] per Rights Equity Share shall be payable at the time of Application.

ISSUE SCHEDULE

Issue Opening Date	[●]
Last date for On Market Renunciation of Rights	[●]
Issue Closing Date	[●]

GENERAL INFORMATION

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Chennai, Tamil Nadu June 03, 1982 with the name 'Bhagwandas Metals Limited'. The Company on 01st November, 2018 changed its Name from 'Bhagwandas Metals Limited' to 'Pradhin Limited' issued by Registrar of Companies, Chennai. The Corporate Identification Number of Our Company is L15100TN1982PLC009418.

Registered Office: 61, Sembudoss Street, Chennai, Tamil Nadu, India, 600001
Tel: +91 99250 52000 Website: www.pradhin.com, E-mail: info.pradhin@gmail.com
Contact Person: Mr. Lokesh Rathi, Company Secretary and Compliance Officer

Our Company is listed on the BSE Limited (BSE) effective from May 10, 1995 bearing Symbol 'PRADHIN'. The ISIN of our company is INE656B01019

Pradhin Limited offers a diverse range of services across the steel and agriculture sectors and Dairy products..

REGISTERED OFFICE AND CORPORATE OFFICE OF OUR COMPANY

Company	PRADHIN LIMITED;
Registered Office Address	61, Sembudoss Street, Chennai, Tamil Nadu, India, 600001
Contact Details	+91 99250 52000
Email-ID	info.pradhin@gmail.com
Website	https://pradhinglobal.com
Corporate Identification Number	L15100TN1982PLC009418
Registration Number	009418

ADDRESS OF THE REGISTRAR OF COMPANIES

Registrar of Companies, Chennai
Shastri Bhawan 26, Haddows Road,
Chennai - 600034, Tamilnadu

BOARD OF DIRECTORS

Name	Designation	DIN	Address
Mr. Jay Mansukhbhai Sapariya	Additional Executive Director (Managing Director)	10683245	B 802, Galaxy Heights, Nikol Service Road, Ahmedabad Gujarat India 382350
Mr. Jay Rajeshbhai Patel	Additional Executive Director	10623714	Flat No. 19, Parthana Apartment, Mahavirnagar Hirawadi Road, Saijpur bogha Ahmadabad City Gujarat India 382345
Mr. Mohitkumar Shailesh Kumar Patel	Additional Executive Director	10644334	512, Om Nagar gali No. 9, Opp. Millenium Park, Udhna Gujarat India 394210
Mr. Nilesh Ghanshyam Bide	Additional Independent Non-Executive Director	06366702	F/63, C/3, Survey No. 7-8 (Part), Elite Empire Society, Near Bharati Vidyapeeth School, Balewadi Pune, Pune City, Maharashtra India 411045

Name	Designation	DIN	Address
Mr. Abhijeet Ramesh Dhanegaonkar	Additional Independent Non-Executive Director	08395353	Plot No. 7/8, Sector P-3/14, Dyantirth Society, Near Government Boys Hostel N-8 Cidco Aurangabad, Maharashtra India 431001
Mr. Hariprit Nitin Thorave	Additional Executive Director	10359981	Swapnashilp Bungalow, Vartak Road, Virar West, Behind Arti Apartment, Vasai Virar Municipal Corporation, Virar, Thane Maharashtra India 401303
Mr. Tejesh Vilas Patil	Additional Independent Non-Executive Director	09528338	At Zidke, Post-Dighashi, Ambadi, Vajreshwari Road, Ambadi, Zidake, Near Marathi School, Thane, Dighashi, Maharashtra 421302
Mr. Jitendra Parmar	Additional Independent Non-Executive Director	09699769	J-708, J Block, Riverside Park - II, Opp. Shantabag Soc., Lane Of APMC Market, Vasna, Ahmedabad, Ahmedabad City, Ahmedabad, Gujarat - 380007

For further details of our Board of Directors, please refer to the section titled **'Our Management'** beginning on page 77 of this Draft Letter of Offer.

Company Secretary	Chief Financial Officer
<p>Mr. Lokesh Rathi</p> <p>Address: 61, Sembudoss Street, Chennai, Tamil Nadu, India, 600001</p> <p>Contact Details: +91 99250 52000;</p> <p>Email-ID: info.pradhin@gmail.com</p>	-
	iii.
Registrar to the Issue/ Registrar and Share Transfer Agent	Banker to our Company
<p>M/S. CAMEO CORPORATE SERVICES LIMITED Subramanian Building No. 01, Club House Road, Chennai, 600 002, India. Telephone :: 044 4002 0700 Email: priya@cameoindia.com Investor Grievance E-Mail: tolins@cameoindia.com Website: www.cameoindia.com Contact Person: K. Sreepriya SEBI Registration Number: INR000003753 Validity: Permanent</p>	<p>Indian Bank Limited Address: Ahmedabad Main Eternia Complex, 74 Swastik Society, off CG Road Navrangpura 380009 Contact Person: Santosh Kumar Singh E-mail ID: AHMEDABADMAIN@indianbank.co.in Website: http://www.indianbank.in Contact Details: +91 :079-26460354</p>
<p>Bank to the Issue Kotak Mahindra Bank Limited Address: Kotak Infinity, 6th Floor, Building No. 21, Infinity Park, Off Western Express Highway General AK Vaidya Marg, Malad (East), Mumbai – 400 097 Maharashtra, India. Contact Person: Kushal Patankar; E-mail ID: cmsipo@kotak.com; Contact Details: 022-66056588; Fax Number: 022-67132416; Website: www.kotak.com; SEBI Registration Number: INBI00000927; CIN: L65110MH1985PLC038137</p>	

STATUTORY & PEER REVIEW AUDITOR

M/s. R. K CHAPAWAT & CO.,
CHARTERED ACCOUNTANTS
 (CIN: U67120TN1998PLC041613
Address :122, Shripal Shopping Center, Near Petrol Pump, Agashi Road, Virar (West) Dist - Palghar : 401303
Contact name:KamleshChapawat
Membership no. 181441
FirmRegn No. 101708W)

M/s. S PARTH & CO.
CHARTERED ACCOUNTANTS
 (From FY 2024-2025)
Address : 401, Abhishree Avenue, Opp. Hanuman Temple, Besides Shakti Electronics,
 Nehrunagar, Ambawadi , Ahmedabad — 380015
Contact name : Nirav Shah
Membership no. 133345
Firm Regn No. 154463W)

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Pradhin Limited will be responsible for all the responsibilities related to co-ordination and other activities in relation to this Issue. Hence a statement of inter-se allocation of responsibilities is not required.

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 Shares Allotted.

CONTACT PERSON FOR GRIEVANCES RELATING TO ISSUE RELATED MATTER

Investors may contact the Registrar or the Company Secretary and Compliance Officer of our Company 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 Rights 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, please refer to the section titled '*Terms of the Issue*' beginning on page 150 of this Draft Letter of Offer.

EXPERT

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

Our Company has received a written consent from our Statutory Auditors, M/s. S Parth & Co, Chartered Accountants, to include their name in this Draft Letter of Offer and as an 'expert', as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated A , included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For a list of branches

of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

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:

Last Date for credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlements#	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

Note:

#Eligible 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 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 who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [●] 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 1 (One) day before the Issue Closing Date, i.e., [●]

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled “*Terms of the Issue*” beginning on page 150 of this Letter of Offer.

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 to the Issue after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see “*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” under the section titled “*Terms of the Issue*” beginning on page 150 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 this Issue.

CREDIT RATING

As this proposed Issue is of Right Shares, the appointment of a credit rating agency is not required.

DEBENTURE TRUSTEE

As this proposed Issue is of Right Shares, the appointment of debenture trustee is not required.

MONITORING AGENCY

Since the Issue size does not exceed ₹ 100 crore, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI (ICDR) Regulations.

APPRAISING ENTITY

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

UNDERWRITING

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

FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI (ICDR) Regulations has been increased from ₹10,00,00,000.00/- (Rupees Ten Crores Only) to ₹50,00,00,000.00/- (Rupees Fifty Crores Only). Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the BSE and not with SEBI. However, a copy of the Letter of Offer shall be submitted with SEBI for information and dissemination and will be filed with the BSE.

MINIMUM SUBSCRIPTION

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

1. Objects of the issue being other than working capital
2. *Our Promoter and Promoter Group have confirmed that they will subscribe to their right entitlement and will not renounce rights except to the extent of renunciation within the promoter group*

CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Draft Letter of Offer, prior to and after the proposed Issue, is set forth below:

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
Authorized Equity Share capital		
2,40,00,000(Two Crores Forty Lakhs Only)	₹24,00,00,000/-	-
Issued, subscribed and paid-up Equity Share capital before this Issue		
36,46,900(ThirtySixLakhsForty Six Thousands Nine Hundred Only) Equity Shares having Face of Rs. 10/- each.	₹3,64,69,000	-
Present Issue in terms of this Draft Letter of Offer^{(a) (b)}		
[●] ([●]) Issue of Equity Shares, each at a premium of ₹[●]/- (Rupees [●] Only) per Equity Share, at an Issue Price of ₹[●]/- (Rupees [●] Only) per Equity Share	₹[●]/-	Up to ₹49,00,00,000/-
Issued, subscribed and paid-up Equity Share capital after the Issue		
[●] ([●]) Equity Shares	₹[●]/-	
Subscribed and paid-up Equity Share capital		
[●] ([●]) fully paid-up Equity Shares	₹[●]/-	
Securities premium account		
Before the Issue ^(c)		i. Rs. 2,16,69,000
After the Issue ^(d)	₹[●]/-	

Notes:

The authorized capital has been increased in EGM Dated August 20, 2024, from existing Rs. 5,00,00,000/- (Five Crores Rupees) divided into 50,00,000 (Fifty Lakhs Rupees) equity shares of face value of Rs. 10/- (Ten Rupee) each by creation of additional 1,90,00,000 (One Crore Nineteen Only) Equity Shares of Rs. 10/- each to Rs. 24,00,00,000/- (Rupees Twenty-Four Crores Only) divided into 2,40,00,000 (Two Crores Forty Lakhs)

(a) Assuming full subscription for allotment of Right Shares;
The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on September 18 2024.

(b) Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;

NOTES TO THE CAPITAL STRUCTURE

1. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;
2. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
3. As on the date of this Draft Letter of Offer, our Company has not issued any special voting Right Shares and there are no outstanding Equity Shares having special voting rights;
4. The ex-rights price arrived in accordance with the formula prescribed Regulation 10 (4) (b) (ii) of the SEBI (SAST) Regulations, in connection with the Issue is ₹[●] (Rupees [●] Only);

5. **Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares**

As on the date of this Draft Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares;

6. **Details of stock option scheme of our Company**

As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme;

7. As on the date of this Draft Letter of Offer, the No Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares.

8. **Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Draft Letter of Offer**

None of the members of the Promoter and Promoter Group of the Company have acquired any Equity Shares in the last one year prior to the filing of this Draft Letter of Offer;

Our Company shall ensure that any transaction in the Equity Shares by our Promoter during the period between the date of filing this Letter of Offer and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transaction.

10. Shareholding Pattern of our company

The shareholding pattern of our Company as on **Quarter Ending 30th June 2024**, is as follows:

Summary statement holding of specified securities

Category of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
(A) Promoter & Promoter Group	2	2,96,815	2,96,815	8.13	2,96,815	8.13	2,96,815
(B) Public	2,032	33,51,985	33,51,985	91.87	33,51,985	91.87	33,43,184
(C1) Shares underlying DRs				-	-	-	
(C2) Shares held by Employee Trust	--	--	--	--	--	--	--
(C) Non Promoter-Non Public	--	--	--	--	--	--	--
Grand Total	2,034	36,48,800	36,48,800	100.00	36,48,800	100.00	36,39,999

Statement showing shareholding pattern of the Promoter and Promoter Group

Category of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of equity shares held in dematerialized form
A1) Indian					
Individuals/Hindu undivided Family	2	2,96,815	2,96,815	8.13	2,96,815
Saroj Jayprakash Jalan	1	1,45,675	1,45,675	3.99	1,45,675
Sachin Jayprakash Jalan	1	1,51,140	1,51,140	4.14	1,51,140

Sub Total A1	2	2,96,815	2,96,815	8.13	2,96,815
A2) Foreign	--	--	--	--	--
A=A1+A2	2	2,96,815	2,96,815	8.13	2,96,815

a) Statement showing shareholding pattern of the Public shareholders:

Category and name of shareholder	No. of shareholders	No. of fully paid up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
B1) Institutions	-	-	-	-	-	-	-
B2) Institution (Domestic)	-	-	-	-	-	-	-
B3) Institution (Foreign)	-	-	-	-	-	-	-
B4) Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-
B5) Non-Institutions							
Investor Education and Protection Fund (IEPF)	1	137872	1,37,872	3.78	1,37,872	3.78	1,37,872
Resident Individual share capital upto ₹2 Lacs	1927	1047951	10,47,951	28.72	10,47,951	28.72	10,47,951
Resident Individual share	11	1916899	19,16,899	52.54	19,16,899	52.54	19,16,899

capital in excess of ₹2 Lacs

IRFAN FAKHRI KARIMI	1	37398	37,398	1.02	37,398	1.02	37,398
HITESH RAMJI JAVERI	1	47869	47,869	1.31	47,869	1.31	47,869
ASHISH JASHWANTBHAI DESAI	1	123695	1,23,695	3.39	1,23,695	3.39	1,23,695
BRIJESH JITENDRA PAREKH	1	150000	1,50,000	4.11	1,50,000	4.11	1,50,000
AJAY CHAUDHARI	1	183787	1,83,787	5.04	1,83,787	5.04	1,83,787
NITIN VITTHALRAO THORVE	1	1248955	12,48,955	34.23	12,48,955	34.23	12,48,955
Non-Resident Indian (NRI)	26	10788	10,788	0.30	10,788	0.30	4,188
Bodies Corporate	29	128268	1,28,268	3.52	1,28,268	3.52	1,26,068
GUJARAT TOOLROOM LIMITED	1	63500	63,500	1.74	63,500	1.74	63,500
Any Other (specify)	38	110207	1,10,207	3.02	1,10,207	3.02	1,10,206
ASHISHBHAI JASHWANTBHAI DESAI	1	89479	89,479	2.45	89,479	2.45	89,479
NRI	26	10788	10788	0.30	10788	0.30	4188
BODIES CORPORATES	29	128268	128268	3.52	128268	3.52	126068
GUJARAT TOOLROOM LIMITED	1	63500	63500	1.74	63500	1.74	63500
Sub Total B4	2032	3351985	33,51,985	91.87	33,51,985	91.87	33,43,184

B=B1+B2+B3+B4	2032	3351985	33,51,985	91.87	33,51,985	91.87	33,43,184
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b) Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

Category & Name of the Shareholders(I)	No. of shareholder (III)	No. of fully paid up equity shares held(IV)	Total no. shares held (VII = IV+V+VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	No. of equity shares held in dematerialized form (XIV)(Not Applicable)
C1) Custodian/DR Holder	--	--	--	--	--
C2) Employee Benefit Trust	--	--	--	--	--

Details of disclosure made by the Trading Members holding 1% or more of the Total No. of shares of the company

Sr. No.	Name of the Trading Member	Name of the Beneficial Owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
--			Nil		

Details of Significant Beneficial Owners

Sr. No.	Details of SBO (I)	Details of registered owner (II)	Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*: (III)	Date of creation / acquisition of significant beneficial (IV)
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Name	Nationality	Name	Nationality	Equity Shares	Voting Rights	Whether virtue of				
						Rights on distributable dividend or any other distribution	Exercise of control	Exercise of significant influence		
--	--	--	--	--	--	--	--	--	--	--

1.

*Note = * In case the nature of the holding/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories*

This column shall have the details as specified by the listed entity under Form No. BEN-2 as submitted to the Registrar.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from this Issue towards the following objects:

1. To meet incremental working Capital requirements
2. General corporate purposes

The main objects and the objects incidental and ancillary to the main objects of our MOA enable our Company to undertake 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 MOA.

Net Proceeds

The details of the Issue Proceeds are set forth in the table below:(In Lakhs)

Particulars	Amount
Gross Proceeds from the Issue [#]	4900.00
Less :Estimated Issue related Expenses*	75.00
Net Proceeds from the Issue	4825.00

[#]Assuming full subscription in the Issue, subject to the finalization of the Basis of Allotment and receipt of all Call Monies with respect to Rights Issue.

*To be determined at the time of filing the Letter of Offer

Requirement of Funds and utilization of Net Proceeds

The proposed utilization of the Net Proceeds by our Company is set forth in the following table:
(In Lakh)

Sr. No.	Particulars	Amount (In lakhs)
3.	Working Capital Requirement	4375.00
4.	General Corporate purposes [#]	450.00
	Total Net Proceeds	4825.00

[#]The amount is subject to adjustment upon finalization of Issuer elated expenses, however, in no events shall general corporate purposes exceed 25% of the Gross Proceeds..

*Assuming full subscription in this Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement ratio. There are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Directors, Key Managerial Personnel or associate companies (as defined under Companies Act, 2013).

Means of Finance

The funding requirements mentioned above are based on our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management, However, any flexibility granted to the board/management to utilize the issue proceeds shall be exercised in full compliance with all applicable laws and regulations. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Proposed schedule of implementation and deployment of Net Proceeds

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

(In Lakh)

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment to Net Proceeds	
			FY 2024 -25	
1.	To augment the existing and incremental working capital requirement of our company	4375.00	4375.00	
2.	General Corporate Purposes [#]	450.00	450.00	
	Total Net Proceeds*	4825.00	4825.00	

[#]The amount to be utilized for General Corporate Purposes will not exceed 25% of the Gross Proceeds.

*Assuming full subscription in the Issue, subject to finalization of the Basis of Allotment, receipt of Call Monies with respect to Rights Issue and to be adjusted per the Rights Entitlement ratio.

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

Details of the Objects

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

I. To augment the existing and incremental working capital requirement of our company

Our Business is a working capital intensive industry. The increasing operations of our company will in turn lead to the increase in the requirement of working capital. The lead time for procuring the products is high and also in order to ensure readily available customized product along with a low lead time for our clients, we enjoy a lower credit period. Further, we are required to provide sufficient credit period to our clients resulting in high receivables and we enjoy minimum credit from our suppliers through against the same. We intend to increase our turnover over the years for which we would be required to provide extended credit period to our customers, but the credit period that we avail from our suppliers shall not increase substantially. This would require us to have adequate working capital to ensure a smooth and uninterrupted flow of our business operations. Accordingly, we expect a further increase in the working capital requirements in view of current and potential business operations that we may undertake.

The details of estimation of Working Capital Requirement are as under:

Sr. No.	Particulars	Audited for the Financial Year 2021-22	Audited for the Financial Year 2022-23	Audited for the Financial Year 2023-24	Estimated for The Financial Year 2024-25	Estimated for The Financial Year 2025-26
I	Current Assets					
	1. Inventories					
	a) Raw Material	-	-	-	-	-
	b) Work-in-Progress	-	-	-	-	-
	c) Finished Goods	11.88	-	420.67	2010.67	3016.00
	d) Other consumables	-	-	-	-	-
	2. Trade Receivables	587.19	634.60	83.68	1842.48	2763.72
	3. Cash and Cash Equivalents	3.40	3.34	2.18	1408.70	14.35
	4. Other Current Assets	57.28	17.13	218.25	246.30	103.79
	Total Current Assets(A)	659.75	655.07	724.78	5508.15	5897.86
II	Current Liabilities					
	1. Trades and Other Payables	72.30	81.16	97.55	-1005.33	-1005.33

	2.Short Term Provision	0.02	1.67	-	259.42	168.76
	3. Short term Borrowings		-	1.15		
	4.Other Current Liabilities	6.91	0.39	10.39		
	Total Current Liabilities(B)	79.23	83.22	109.09	-745.92	-836.57
III	Working Capital Gap(A-B)	580.52	571.85	615.69	6254.07	6734.43
IV	Funding Pattern					
	Working Capital Already employed *				1354.07	6734.43
	Net Proceeds from the proposed Rights Issue				4900.00	
	Total				6254.07	6734.43

* The phrase "Working Capital Already Employed" refers to the financial resources that have been previously allocated to the working capital over preceding operational periods. These resources emanate from owner's funds and the earnings generated from the operations of the business. The proceeds from business operations encompass the net profit, factoring in non-cash transactions such as depreciation and amortization.

Sr. No.	Particulars	Basis	Audited for the Financial Year 2021-22	Audited for the Financial Year 2022-23	Audited for the Financial Year 2023-24	Audited for the Financial Year 2024-25	Audited for the Financial Year 2025-26
I	Current Assets						
(a)	Trade Receivables	Days / Months	111.11 Days (3.70 Months)	130.67 Days (4.36 Months)	284.59 Days (9.49 Months)	180 Days (6 Months)	180 Days (6 Months)
(b)	Inventories	Days / Months	2.25 Days (0.07 Months)	1.27 Days (0.04 Months)	166.67 Days (5.56 Months)	180 Days (6 Months)	180 Days (6 Months)
(c)	Other Current Assets	Days / Months	10.84 Days	7.96 Days	93.26 Days	60 Days	60 Days
II	Current Liabilities						
(a)	Trade Payables	Days / Months	13.80 Days (0.46 Months)	16.52 Days (0.55 Months)	71.43 Days (2.38 Months)	-120 Days (4 Month Advance payment)	-60 Days (4 Month Advance payment)
(b)	Other Current Liabilities	Days / Months	1.32 Days	0.79 Days	4.31 Days	30Days	30Days

Justification for Holding Period Level

Assumptions made and justification	
Current Assets	
Trade receivables	The trade receivables are determined based on the average standard payment terms extended to our diverse customer base. These credit terms vary depending on the geographical location and customer type, with our assumptions grounded in historical patterns. The trade receivable holding period for the financial years 2022, 2023, and 2024 was 111 Days, 130 Days and 284 days respectively, with an average holding period of 175 days, equivalent to 5.83 Months, which exceeds the industry standard. As part of our business restructuring efforts, we aim to raise the turnover for which we are going to

	<p>increase the holding period of trade receivable to 180 days for the financial years 2025 and 2026, respectively, effectively bringing it to 6 months.</p> <p>The increase in the trade receivable holding period is aligned with our plans to expand our market presence beyond our current geographic scope, resulting in a substantial increase in sales revenue. Consequently, there will be a notable rise in the investment in trade receivables to accommodate the anticipated growth. This adjustment signifies a significant shift in our working capital needs in line with our business expansion strategy.</p>
Inventories	<p>Our company is in the process of expanding its presence in the steel and alloy steel billets industry.</p> <p>It is worth noting that your company has historically maintained a high inventory holding period of approximately 166 days (equivalent to 5.56 months). However, the company is in plan to increase the holding period of stock so that there will be less impact of change in market scenario due to any reasons. The company can manage its sales even if the supplier will not supply the material 2-3 months The current initiative to increase the sales & protect from market rate fluctuations, with a further increase the holding period to 180 days projected for the financial years 2025 and 2026, respectively.</p>
Other Current Assets	<p>The category of other current assets typically encompasses amounts owed by revenue authorities, prepaid expenses, and advances extended to our vendors to secure fixed product prices in advance. The holding periods for other current assets were 10.84 days, 7.96 days, and 93.26 days for the financial years 2022, 2023, and 2024, respectively with the average of 37 days. Based on our experience, we have learned that in order to enhance productivity, it is crucial to control operating costs related to raw materials. To achieve this, we are planning to provide advance payments to our vendors, thereby securing price fixation in advance and availing substantial cash discounts, ultimately contributing to operational efficiency within our business and help us in achieving better gross profit margin. We are planning to maintain Other current assets holding period to 30 days and 30 days for the financial year 2025 and 2026.</p>
Particulars	Assumptions made and justification
Current Liabilities	
Trade payables	<p>Trade Payable is based on the average standard payment terms of our vendors. Our trade payables primarily comprise of payables towards the purchase of goods. Our operating trade payables for the Financial Year 2025 is to be -120 Days i.e 4 month advance to supplier. Our Company has assumed average operating trade payables payment period of -60 days (2 month advance) of cost of goods sold for the Financial Year 2026 so that the company will get the additional discounted rates & made the stock available and this will also help us to freeze our buying rates with the vendors</p>

General Corporate Purpose:

The Net Proceeds will first be utilized towards the Objects set out above, as well as meeting the Issue-related expenses. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds of [●] towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time. We confirm that utilization for general corporate purposes will not exceed 25% of the Gross Proceeds of the Issue.

Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, (a) funding growth opportunities, (b) employee expenses, (c) meeting of exigencies which our Company may face in the course of any business, (d) advertising, brand building and other marketing expenses, (e) additional Issue expenses, if any, and any other purpose in the ordinary course of business as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with applicable laws.”

Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals per applicable laws.”

Expenses for the Issue

Our Company will need approximately ₹ 75 lakhs towards Issue related expenses, a break-up of the same is set forth in the table below:

Sr. No.	Particulars	Estimated Amount*(₹ in lakhs)	As a percentage of total estimated Issue expenses*	As a percentage of Gross Issue size*
1	Fees payable to the Registrar to the Issue	6.75	9.00%	0.13%
2	Fees payable to the other professional service providers	8.25	11.00%	0.16%
3	Advertising, marketing, and shareholder outreach expenses	3.75	5.00%	0.07%
4	Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fee	33.47	44.63%	0.68%
5	Others			
	Other Professional fees	11.07	14.76%	0.22%
	Printing and stationery	1.50	2.00%	0.03%
	Statutory Auditors.	3.00	4.00%	0.06%
	Bank to the issue.	7.21	9.61%	0.14%
	Miscellaneous expenses and stamp duty.			
		75.00	100.00%	1.36%

Total estimated issuer-related expenses

*Assuming full subscription, subject to receipt of Call Monies with respect to Rights Issue, finalization of Basis of Allotment and actual Allotment.

All issuer related expenses will be paid out of the Gross Proceeds from the Issue. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be borne by the Company from internal accruals

SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED

As on date, our Company has not deployed any funds towards the Objects of the Issue.

APPRAISAL OF THE OBJECTS

None of the Objects of the Issue for which the Net Proceeds will be utilised have been appraised by any bank or financial institution.

STRATEGIC AND/OR FINANCIAL PARTNERS

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

BRIDGE FINANCING FACILITIES

As on the date of this Draft Letter of Offer, our Company has not raised or availed of any bridge financing facilities which are subject to being repaid from the Issue Proceeds.

INTERIM USE OF FUNDS

Our Company will have the flexibility to deploy the Net Proceeds in accordance with the policies established by our Board from time to time and in compliance with all the applicable laws. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors or a duly constituted committee thereof. In accordance with the Companies Act, our Company confirms that pending utilization of the Net Proceeds towards the stated objects of the Issue, our Company shall not use/deploy the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

MONITORING OF UTILIZATION OF FUNDS

Since the Issue is for an amount less than ₹ 10,000 lakhs, in terms of Regulation 82 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18(3) read with Part C of Schedule II of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses / application of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in this Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Statutory Auditor

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in this Letter of Offer. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

VARIATION IN OBJECTS

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the 'Postal Ballot Notice') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice will simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. For details, see '*Risk Factors - Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholder's approval.*' on page 23.

INTEREST OF PROMOTERS, PROMOTER GROUP AND DIRECTORS, AS APPLICABLE TO THE OBJECTS OF THE ISSUE

Our Promoters and Promoter Group vide their letters dated September 18, 2024 ("**Subscription Letter**"), have indicated their intention to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and have also confirmed that they shall not renounce their Rights Entitlement (except to the extent of any Rights Entitlement renounced by any of them in favor of any other Promoter or member of the Promoter Group of our Company).

None of our Promoters, members of the Promoter Group and the Directors have any interest in the Objects of the Issue. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, Directors, and Key Managerial Personnel of our Company.

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

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

OTHER CONFIRMATIONS

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds without Directors, or Key Managerial Personnel of our Company in the ordinary course of business and no part of the Net Proceeds will be paid as consideration to any of them. Further, except as disclosed, none of our Directors are interested in the Objects of the Issue.

CERTIFICATE ON STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Pradhin Limited,
61, Sembudoss Street, Chennai,
Tamilnadu, India, 600001

Subject: Proposed rights issue of equity shares of face value of ₹1 (Rupee One only) ('Equity Shares') of Pradhin Limited ('Company' and such offering, the 'Issue')

1. We, [●], Chartered Accountant, statutory auditors of the Company, have received a request from the Company to verify and certify the possible special tax available to the Company and the shareholders of the Company, in connection with possible special tax benefits under direct and indirect tax laws, including under the Income Tax Act, 1961, as amended, Income Tax Rules, 1962, amendments made by Finance Act, 2023 (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, respective Union Territory 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, available to the Company and its shareholders, in the enclosed statement at the Annexure.
2. Several of these stated tax benefits/consequences are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the stated tax benefits is dependent on fulfilling such conditions.
3. A statement of possible special tax benefits available to the Company and its shareholders is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, and its shareholders the same would include those benefits as enumerated in the Statement. The benefits discussed in the enclosed annexure are not exhaustive. The Annexure is for your information and for inclusion in the Draft letter of offer (the "**Draft Letter of Offer**"), Letter of Offer (the "**Offer Letter**") and any other offering material in connection with Offer ("**Offer Documents**"), as amended or supplemented thereto or any other written material in connection with the proposed Offer and is neither designed nor intended to substitute for professional tax advice. In view of the individual nature of the tax 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 Offer. Neither are we suggesting nor advising the investor to invest money based on this statement.
4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.
5. We also consent to the references to us as "Experts" under Section 26 of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Letter of Offer and Offer Letter of the Company or in any other documents in connection with the Offer.
6. We conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("**ICAI**"), as revised from time to time, to obtain a reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects; the aforesaid Guidance Note requires that we comply with the ethical requirements of the 'Code of Ethics' issued by the ICAI, as revised from time to time. Further, we have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements', as revised from time to time. We have also complied with the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time").
7. We confirm that the information herein is true, correct, complete, and accurate, not misleading and does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the Statements made, in the light of the circumstances under which they were made, not misleading.

8. We undertake to inform you promptly, in writing of any changes to the above information until the allotment of Equity shares / Equity Shares commence trading on the relevant stock exchanges where the Equity Shares of the Company are proposed to be listed (the "Stock Exchanges"), pursuant to the Offer. In the absence of any such communication from us, the above information should be considered as updated information until the allotment of Equity shares / Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.
9. This certificate can be relied on by the Company in relation to the Offer.
10. This certificate is issued for the sole purpose of the Offer and relevant extracts can be used in part or full as and where applicable, in connection Draft Letter of Offer, Offer Letter and any other material used in connection with the Offer and consent to the submission of this certificate as may necessary (collectively "Offer Documents"), to the Securities and Exchange Board of India, any regulatory/ statutory authorities, stock exchanges where the Equity Shares are already listed, Registrar Of Companies, Gujarat at Ahmedabad or any other authority as may be required.
11. All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

This certificate may also be relied upon by the Company, their affiliates and the legal counsel in relation to the Issue.

The above certificate shall not be used for any other purpose without our prior consent in writing and we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Yours faithfully,
For [●]

[●].
CHARTERED ACCOUNTANTS
FRN: - [●]
M.No. [●]
UDIN: [●]
Place: [●]
Date: [●]

ANNEXURE I

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO PRADHIN LIMITED ('COMPANY') AND ITS SHAREHOLDERS

1. Under the Income Tax Act, 1961 ('Act')

a. Special tax benefits available to the Company under the Act

There are no special tax benefits available to the Company.

b. Special tax benefits available to the shareholders under the Act

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

Notes

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares;
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law;
3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2024-25;
4. 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;
5. 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;
6. 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;

For [●]

**[●].
CHARTERED ACCOUNTANTS
FRN: - [●]
M.No. [●]
UDIN: [●]
Place: [●]
Date: [●]**

ANNEXURE II

STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO PRADHINLIMITED ('COMPANY') AND ITS SHAREHOLDERS

1. Under the 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')

a. Special tax benefits available to the Company under the Indirect Tax

There are no special indirect tax benefits available to the Company.

b. Special tax benefits available to the shareholders under the Indirect Tax

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

Notes

1. 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;
2. The above statement covers only above-mentioned Indirect Tax laws benefits and does not cover any direct tax law benefits or benefit under any other law;
3. 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;
4. 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;

For [●]

[●].
CHARTERED ACCOUNTANTS
FRN: - [●]
M.No. [●]
UDIN: [●]
Place: [●]
Date:[●]

SECTION IV – ABOUT THE COMPANY
INDUSTRY OVERVIEW OF DAIRY BUSINESS

INTRODUCTION

India is the fifth largest economy in the world and expected to be the fastest-growing economy among major G20 countries, with GDP growth estimated to be around 8% in FY24. The dairy industry in India size reached INR 16,792.1 Billion in 2023. Looking forward, IMARC Group expects the market to reach INR 49,953.5 Billion by 2032, exhibiting a growth rate (CAGR) of 13% during 2024-2032. The industry is experiencing robust growth, propelled by technological innovation, enhanced retail and e-commerce platforms, and improved cold chain infrastructure, meeting rising consumer demand with a diversified and quality-focused product range.

Report Attribute	Key Statistics
Base Year	2023
Forecast Years	2024-2032
Historical Years	2018-2023
Market Size in 2023	INR 16,792.1 Billion
Market Forecast in 2032	INR 49,953.5 Billion
Market Growth Rate (2024-2032)	13%

Dairy Industry in India Snapshot:

- Liquid milk dominates the market as the primary product segment. This is attributed to its essential role in everyday consumption, nutritional importance as a staple food, and its universal cultural acceptance.
- A2 milk represents the fastest-growing segment in the dairy market. Its growth is driven by increasing consumer beliefs regarding its enhanced digestibility and potential health benefits compared to standard milk.
- In terms of regional markets, Uttar Pradesh is the largest. This prominence is due to its position as the most populous state and a strong agricultural economy where dairy farming is a major livelihood source.
- Delhi is identified as the most rapidly expanding regional market. This growth is linked to its growing population, higher income levels, and a cosmopolitan culture that increases the demand for diverse dairy products.

Dairy Industry in India Drivers: Rising Health Awareness Fueling Growth*Escalating Consumption Driving the Industry*

One of the primary factors propelling the Indian dairy industry is the increasing consumption due to population growth and rising income levels. With the continual expansion of the population, the demand for dairy products is surging, providing a substantial consumer base for the

industry. Increased affluence has enabled a larger segment of the population to spend more on nutritious food items, with dairy products being a traditional staple in Indian diets. This combination of demographic expansion and enhanced purchasing power has compelled dairy producers to scale up operations and innovate, ensuring steady market growth.

Growing Health Awareness Among Indian Consumers

The Indian dairy industry is also driven by growing health consciousness among consumers. There is an escalating preference for dairy products as a source of essential nutrients like proteins, vitamins, and minerals. This demand extends beyond conventional dairy items to value-added products such as flavored yogurts, fortified milk, and probiotic drinks. Dairy companies are capitalizing on this trend by launching a range of health-centric products, effectively tapping into consumers' desire for wellness through diet.

Impact of Pandemic on Consumer Behavior and Dairy Industry

The pandemic has led to a significant shift in consumer behavior, with a growing preference for milk and dairy products as nutritional supplements. This change from procurement centers to retail outlets initially overwhelmed distribution logistics. However, the Indian dairy industry adapted by implementing operational flexibility in business models and supply chain simplification. This resilience and adaptability have been crucial in maintaining the industry's integrity during challenging times.

Dairy Industry in India Trends: Technology Integrations Reshaping the Indian Dairy Landscape

Changing Distribution Channels and Emergence of B2C Startups

A significant trend reshaping the Indian dairy industry is the evolution of distribution channels, particularly with the emergence of Business-to-Consumer (B2C) startups. These startups often leverage digital platforms for direct delivery. With the rise of e-commerce and online grocery shopping, many new-age dairy startups are offering subscription-based models, home delivery services, and digitally enabled supply chains. This approach not only ensures freshness and quality but also caters to the convenience sought by modern consumers. These startups often focus on premium, organic, or specialized dairy products, differentiating themselves from traditional retail channels. By using data analytics and consumer insights, these B2C startups are able to understand consumer preferences and offer personalized services. This shift is not only changing consumer buying habits but also forcing traditional players to rethink their distribution strategies, leading to a more consumer-centric dairy market in India.

Technological Advancements in Dairy Processing

Technological innovations are playing a crucial role in transforming the dairy industry. This includes advancements in dairy farm management, milk processing, packaging, and supply chain logistics. Technologies like automation, Internet of Things (IoT), and artificial intelligence (AI) are being employed to enhance efficiency, improve product quality, and ensure safety. These technologies also aid in better farm management practices, allowing for higher productivity and sustainability. Additionally, the adoption of cold chain technologies ensures that dairy products retain their freshness and nutritional value during transportation and storage.

Shift Towards Value-Added Dairy Products

There is a significant shift towards value-added dairy products like cheese, yogurt, flavored milk, and probiotic drinks. These products offer greater margins and cater to the evolving consumer preferences for health, convenience, and variety. The demand for these products is being driven by increasing health awareness, the rising middle class, and changing dietary habits. Dairy companies are investing in new product development and marketing strategies to capture this growing segment, diversifying beyond traditional milk products.

Dairy Industry in India Segmentation:

IMARC Group provides an analysis of the key trends in each segment of the market, along with forecasts at the regional and country levels for 2024-2032. Our report has categorized the market based on segment.

Breakup by Segment:

- Liquid Milk
- UHT Milk
- A2 Milk
- Organic Milk
- Flavored Milk
- Curd

- Lassi
- Butter Milk (Chach)
- Flavored and Frozen Yoghurts
- Cheese
- Probiotic Dairy Products
- Table Butter
- Ghee
- Paneer
- Khoya
- Dairy Whitener
- Skimmed Milk Powder
- Ice Cream
- Dairy Sweets
- Cream
- Whey
- Milk Shake
- Sweet Condensed Milk

Competitive Landscape:

The key players are actively implementing strategic initiatives to solidify and enhance their market presence. They are concentrating on diversifying their product ranges to incorporate options that are both health-centric and convenience-oriented, such as probiotic drinks, high-protein yogurts, and lactose-free products. These players are utilizing advanced technologies to boost production efficiency and optimize supply chains, thereby not only elevating product quality but also aligning their offerings with changing consumer preferences and international food safety norms. These efforts are part of a broader strategy to expand their market reach through strategic partnerships, appointments, and collaborations, underpinning the growth and dynamism of the dairy industry in India.

The market research report has also provided a comprehensive analysis of the competitive landscape. Competitive analysis such as market structure, key player positioning, top winning strategies, competitive dashboard, and company evaluation quadrant has been covered in the report. Also, detailed profiles of all major companies have been

INDUSTRY OVERVIEW OF AGRICULTURE BUSINESS

The information in this section has been extracted from reports publicly available documents and information, including, but not limited to, materials issued or commissioned by the Government of India and certain of its ministries, trade and industry-specific publications and other relevant third-party sources.

Industry websites and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. While the Company has exercised reasonable care in relying on such government, industry, market and other relevant data in this document, it has not been independently verified by the Company or any of its advisors, nor the Lead Manager or any of its respective advisors, and should not be relied on as if it had been so verified.

INDIAN ECONOMY OVERVIEW

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

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

Strong economic growth in the first quarter of FY 2023-24 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2023-24 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022-2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-September 2023. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

MARKET SIZE

- India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22-23.
- India is the third-largest unicorn base in the world with over 100 unicorns with a total valuation of US\$ 332.7 billion.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030s, for productivity and economic growth. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

RECENT DEVELOPMENT

Recent economic developments in India are as follows:

- As of September 21, 2022, India's foreign exchange reserves stood at US\$ 524,520 million.
- The private equity-venture capital (PE-VC) sector investments stood at US\$ 2 billion in September 2022.
- Merchandise exports in September 2022 stood at US\$ 32.62 billion.
- PMI Services remained comfortably in the expansionary zone at 56.7 during April-September 2022

- In September 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 147,686 crore (US\$17.92 billion).
- Between April 2000-June 2022, cumulative FDI equity inflows to India stood at US\$ 604,996 million.
- In August 2022, the overall IIP (Index of Industrial Production) stood at 131.3. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 99.6, 131.0 and 191.3, respectively, in August 2022.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 7.41% in September 2022.
- In FY 2022-23, (until October 28, 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 58,762 crore (US\$ 7.13 billion).
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

ROAD AHEAD

In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY 2022-23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signaling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Despite the continued global slowdown, India's exports climbed at the second highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

AGRICULTURE AND ALLIED INDUSTRIES IN INDIA

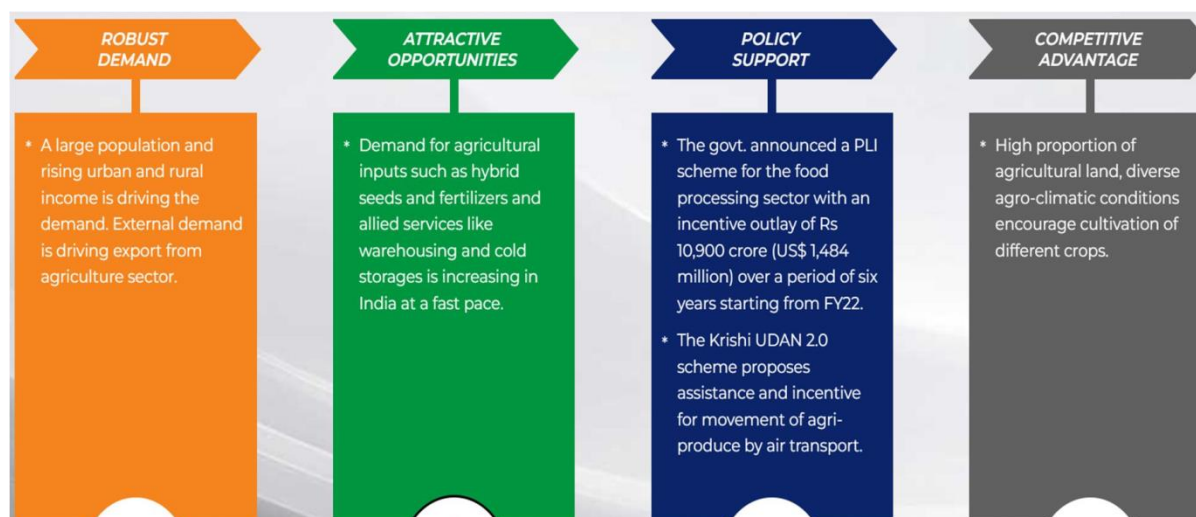
<https://www.ibef.org/industry/agriculture-india>

INTRODUCTION

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for ~55% of India's population. India has the world's largest cattle herd (buffaloes), the largest area planted for wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. The agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. Thus, farmers become an integral part of the sector to provide us with a means of sustenance.

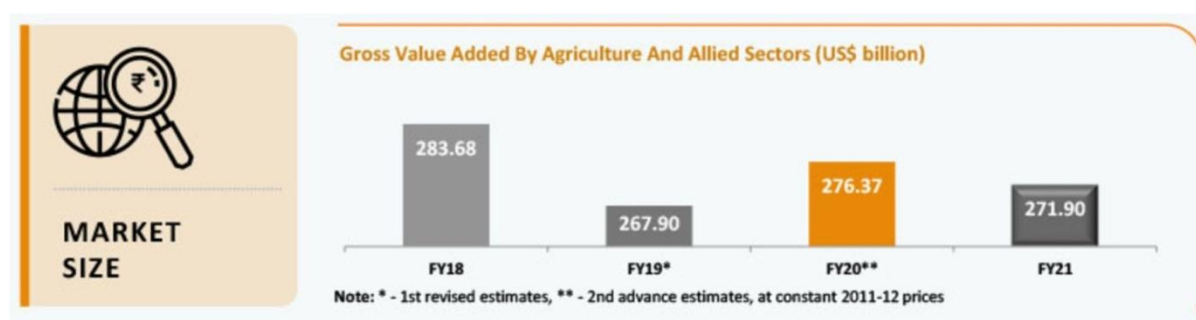
Consumer spending in India will return to growth in 2022 and 2023 post the pandemic-led contraction, expanding by as much as 6.6%. The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food processing industry accounts for 32% of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth.

ADVANTAGEINDIA



MARKET SIZE

According to Inc42, the Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. Indian food and grocery market is the world's sixth largest, with retail contributing 70% of the sales. As per the third advance estimates, food grain production in India is estimated to be 314.51 MT in FY 2021-22. Rapid population expansion in India is the main factor driving the industry. The rising income levels in rural and urban areas, which have contributed to an increase in the demand for agricultural products across the nation, provide additional support for this. In accordance with this, the market is being stimulated by the growing adoption of cutting-edge techniques including blockchain, artificial intelligence (AI), geographic information systems (GIS), drones, and remote sensing technologies, as well as the release of various e-farming applications.



In terms of exports, the sector has seen good growth in the past year. In FY22-23 (until December 2021)-

- Exports of marine products stood at US \$6.12 billion.
- Exports of rice (Basmati and Non-Basmati) stood at US \$6.12 billion.
- Buffalo meat exports stood at US \$2.51 billion.
- Sugar exports stood at US \$2.78 billion.
- Tea exports stood at US \$ 570.15 million.
- Coffee exports stood at US \$ 719.95 million.



(iii) INDIAN SEEDS INDUSTRY

The Indian seed industry has had a long history spreading over more than a century. It initially began with trading in vegetable and flower seeds in the early part of this century. Seed related reforms pertaining to hybridization began in the early 1980's, when the Go I decided to provide public-bred breeder seed to private companies for multiplication and distribution. Further, starting in the mid-1980's accessibility to research institutions, both international and national was provided to private seed firms for directly obtaining breeder seed. These seed related reforms initiated in 1980's thus catalysed growth of the private seed sector in the country. As a consequence, the Indian seed industry is experiencing quantitative and qualitative changes in composition, market expansion and production technologies. Along with the increasing size of the seed market, its composition is also rapidly changing, with more and more private companies not only intensifying but also diversifying their market as well as product coverage.

The Indian seed market is among the top ten largest in the world, estimated to be about US\$5.5 billion in 2023. (Source: ISF Secretariat) Aside from our Company, the notable seed companies in India include Pioneer, Mahyco, Monsanto India, Pro Agro, Syngenta and Nuziveedu Seeds.

The Government is concerned about the stagnation in the production and productivity of pulses. A critical deficiency is the availability and quality of certified seeds. Government therefore proposes to expand the Integrated Oilseeds, Oil palm, Pulses and Corn Development programme. There will be a sharper focus on scaling up the production of breeder, foundation and certified seeds. The Indian Institute of Pulses Research (IIPR), Kanpur, the National and State level seeds corporations, agricultural universities, ICAR centres, KRIBHCO, IFFCO and NAFED as well as large private sector companies will be invited to submit plans to scale up the production of seeds. Government will fund the expansion of IIPR, Kanpur, and offer the other producers a capital grant or concessional financing in order to double the production of certified seeds within a period of three years. (Source: Union Budget: Finance Minister's speech)

Major Crops grown in India

The agricultural crop year in India is from July to June. The Indian cropping season is classified into two main seasons-(i) Kharif and (ii) Rabi based on the monsoon. The kharif cropping season is from July –October during the south- west monsoon and the Rabi cropping season is from October-March (winter). The crops grown between March and June are summer crops.

Rabi crops are sown in winter from October to December and harvested in summer from April to June. Some of the important Rabi crops are wheat, barley, peas, gram and mustard. Though, these crops are grown in large parts of India, states from the north and north-western parts such as Punjab, Haryana, Himachal Pradesh, Jammu and Kashmir, Uttarakhand and Uttar Pradesh are important for the production of wheat and other rabi crops. Availability of precipitation during winter months due to the western temperate cyclones helps in the success of these crops. However, the success of the green revolution in Punjab, Haryana, western Uttar Pradesh and parts of Rajasthan has also been an important factor in the growth of the above-mentioned rabi crops.

KHARIF	RABI	ZAID
Monsoon crop (High water requirement)	Winter crop	Summer crop
July - October	October - February	March - June
Rice, Maize, Jowar, Bajra, Soyabean, Cotton, Groundnut, Jute, Urad Dal, Moong Dal, Tur Dal	Wheat, Barley, Gram, Peas, Mustard	Watermelon, Muskmelon, Cucumber, Vegetables and Fodder crops
		

Kharif crops are grown with the on set of monsoon in different parts of the country and these are harvested in September-October. Important crops grown during this season are paddy, maize, jowar, bajra, tur (arhar), moong, urad, cotton, jute, groundnut and soyabean. Some of the most important rice-growing regions are Assam, West Bengal, coastal regions of Odisha, Andhra Pradesh, Telangana, Tamil Nadu, Kerala and Maharashtra, particularly the (Konkan coast) along with Uttar Pradesh and Bihar. Recently, paddy has also become an important crop of Punjab and Haryana. In states like Assam, West Bengal and Odisha, three crop of paddy are grown in a year.

Types of Crops	Meaning	Major Crops
Food grains	Crops that are used for human consumption	Rice, Wheat, Maize, Millets, Pulses and Oilseeds
Commercial Crops	Crops which are grown for sale either in raw form or in semi-Processed form	Cotton, Jute, Sugarcane, Tobacco and Oil seeds
Plantation Crops	Crops which are grown on Plantations covering large states	Tea, Coffee, Coconut and Rubber
Horticulture	Sections of agriculture in which Fruits and Vegetables are grown	Fruits and Vegetables

ROAD AHEAD

The agriculture sector in India is expected to generate better momentum in the next few years due to increased investment in agricultural infrastructure such as irrigation facilities, warehousing, and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to the concerted effort of scientists to get early maturing varieties of pulses and the increase in minimum support price.

In the next five years, the central government will aim US\$ 9 billion in investments in the fisheries sector under PM Matsya Sampada Yojana. The government is targeting to raise fish production to 220 lakh tonnes by 2024-25. Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP), and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits.

Through the Ministry of Food Processing Industries (MoFPI), the Government of India is taking all necessary steps to boost investments in the food processing industry in India. Government of India has continued the umbrella PMKSY scheme with an allocation of Rs. 4,600 crore (US\$ 559.4 million) till March 2026.

INVESTMENTS

Some major investments and developments in agriculture are as follows:

- Government has set up a special fund called the Food Processing Fund (FPF) of approximately US\$ 265 million in the National Bank for Agriculture and Rural Development (NABARD) for extending affordable credit to designated food parks and food processing enterprises in the designated food parks.
- The sector has also recorded a sharp increase in investments with a cumulative FDI inflow of US\$ 2,708.72 million between April 2000 - December 2022.
- In 2022, the Government of India is planning to launch Kisan Drones for crop assessment, digitization of land records, and spraying of insecticides and nutrients.
- India's agricultural and processed food products exports stood at US\$ 9,598 million in FY23 (April-July 2022), up by 30% YoY.
- In October 2022, Prime Minister Mr. Narendra Modi inaugurated PM Kisan Samman Sammelan 2022 and released PM-KISAN Funds worth Rs. 16,000 crore (US\$ 1.93 billion)
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- Gross Value Added by the agriculture and allied sector was 18.8% in 2021-22 (until 31 January, 2022)
- Agriculture and allied activities recorded a growth rate of 3.9% in 2021-22 (until 31 January, 2022)
- Consumer spending in India will return to growth in 2022 post the pandemic-led contraction, expanding by as much as 7%.
- Private consumption expenditure (at constant prices) was estimated at Rs. 80.8 trillion (US\$ 1.08 trillion) in FY22 against Rs. 75.6 trillion (US\$ 1.01 trillion) in FY20.
- The organic food segment in India is expected to grow at a CAGR of 10% during 2015--25 and is estimated to reach Rs. 75,000 crore (US\$ 9.1 billion) by 2025 from Rs. 2,700 crore (US\$ 386.32 million) in 2015.
- The processed food market in India is expected to grow to Rs. 3,451,352.5 crore (US\$ 470 billion) by 2025, from Rs. 1,931,288.7 crore (US\$ 263 billion) in FY20 on the back of government initiatives such as planned infrastructure worth US\$ 1 trillion and Pradhan Mantri Kisan Sampada Yojna. The food processing industry employs about 1.77 million people. The sector allows 100% FDI under the automatic route.
- From 2017 to 2020, India received ~US\$ 1 billion in agritech funding. With significant interest from investors, India ranks third in terms of agritech funding and the number of agritech start-ups. By 2025, Indian agritech companies are likely to witness investments worth US\$ 30-35 billion.
- Nestle India will invest Rs. 700 crore (US\$ 85.16 million) in the construction of its ninth factory in Gujarat.
- The sector has recorded a sharp increase in investments with a cumulative FDI inflow of US\$ 11.51 billion between April 2000 - September 2022.
- The performance of the agriculture and allied sector has been buoyant over the past several years, much of which is on account of the measures taken by the government to augment crop and livestock productivity, ensure certainty of returns to the farmers through price support, promote crop diversification, improve market infrastructure through the impetus provided for the setting up of farmer-producer organizations and promotion of investment in infrastructure facilities through the Agriculture Infrastructure Fund.

- As per the economic survey 2022-23, Rs. 13,681 crore (US\$ 1.6 billion) were sanctioned for Post-Harvest Support and Community Farms under the Agriculture Infrastructure Fund.
- Private investment in agriculture increases to 9.3% in 2020-21.
- Institutional Credit to the Agricultural Sector continued to grow to Rs. 18.6 lakh crore (US\$ 226 billion) in 2021-22.

GOVERNMENT INITIATIVES

Some of the recent major Government initiatives in the sector are as follows:

- In the Union Budget 2022-23: Rs. 1.24 lakh crore (US\$ 15.9 billion) has been allocated to the Department of Agriculture, Cooperation and Farmers' Welfare. Rs. 8,514 crore (US\$ 1.1 billion) has been allocated to the Department of Agricultural Research and Education.
- The Agricultural Technology Management Agency (ATMA) Scheme has been implemented in 704 districts across 28 states and 5 UTs to educate farmers. Grants-in-aid are released to the State Government under the scheme with the goal of supporting State Governments' efforts to make available the latest agricultural technologies and good agricultural practices in various thematic areas of agriculture and allied sector.
- Since its inception, i.e. from 01.04.2001 to 31.12.2022, a total of 42,164 storage infrastructure projects (Godowns) with a capacity of 740.43 Lakh MT have been assisted in the country under the Agricultural Marketing Infrastructure (AMI) sub-scheme of the Integrated Scheme for Agricultural Marketing (ISAM).
- The Centre has granted permission to five private companies to conduct cluster farming of specified horticulture crops on approximately 50,000 hectares on a trial basis, with a total investment of US\$ 91.75 million (Rs. 750 crore). The five companies chosen through a bidding process for the pilot cluster farming program are Prasad Seeds, FIL Industries, Sahyadri Farms, Meghalaya Basin Management Agency.
- 27,003 Loans have been sanctioned in the country under credit linked subsidy component of the PM Formalisation of Micro Food Processing Enterprises Scheme (PMFME).
- In July 2022, the PM Formalisation of Micro food processing Enterprises (PMFME) scheme was launched for providing financial, technical and business support for setting up/ upgradation of micro food processing enterprises in the country with an outlay of Rs. 10,000 crore (US\$ 1.27 billion).
- The Indian government is planning to launch Kisan Drones for crop assessment, digitization of land records, and spraying of insecticides and nutrients.
- NABARD will assist in the creation of a blended capital fund with a focus on the agricultural start-up ecosystem which will be used to fund agriculture and rural enterprise startups that are related to the farm product value chain.
- A network of 729 Krishi Vigyan Kendras has been established at the district level across the country to ensure that newer technologies such as improved variety seeds of crops, new breeds/ strains of livestock and fish, and improved production and protection technologies reach farmers.
- In October 2021, the Union Minister of Home Affairs and Cooperation launched the 'Dairy Sahakar' scheme in Anand, Gujarat.
- Ministry of Civil Aviation launched the Krishi UDAN 2.0 scheme in October 2021. The scheme proposes assistance and incentive for the movement of agri-produce by air transport. The Krishi UDAN 2.0 will be implemented at 53 airports across the country, largely focusing on Northeast and tribal regions, and is expected to benefit farmers, freight forwarders, and airlines.
- In October 2021, the Agricultural and Processed Food Products Export Development Authority (APEDA) signed a Memorandum of Understanding (MoU) with ICAR-Central Citrus Research Institute (ICAR-CCRI), Nagpur, for boosting exports of citrus and its value-added products.
- In October 2021, the Union Ministry of Agriculture and Farmers Welfare announced that 820,600 seed mini-kits will be distributed free of cost in 343 identified districts across 15 major producing states under a special programme. This programme is likely to boost production and productivity by speeding up the seed replacement rate and subsequently, help in increasing farmers' income.
- In September 2021, Prime Minister Mr. Narendra Modi launched 35 crop varieties with special traits such as climate resilience and higher nutrient content.
- Prime Minister of India launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan) and transferred Rs. 2,021 crore (US\$ 284.48 million) to bank accounts of more than 10 million beneficiaries on February 24, 2019. As per the Union Budget 2021-22, Rs. 65,000 crore (US\$ 8.9 billion) was allocated to Pradhan Mantri Kisan Samman Nidhi (PM-Kisan).

- The Indian government has initiated Digital Agriculture Mission for 2021-25 for agriculture projects based on new technologies such as artificial intelligence, blockchain, remote sensing and GIS technology, drones, robots, and others.
- In September 2021, the Union Ministry of Agriculture and Farmers' Welfare signed five MoUs with CISCO, Ninjacart, Jio Platforms Limited, ITC Limited, and NCDEX e-Markets Limited. This MoU will have five pilot projects, which will help farmers make decisions on the kind of crops to grow, the variety of seeds to use, and best practices to adopt to maximise yield.
- With a budget of US\$ 1.46 billion, the 'Production-Linked Incentive Scheme for Food Processing Industry (PLISFPI)' has been approved to develop global food manufacturing champions commensurate with India's natural resource endowment and to support Indian food brands in international markets.
- Under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PM FME), an outlay of Rs. 10,000 crore (US\$ 1.27 billion) over a period of five years from FY21 to FY25 has been sanctioned.
- In April 2021, the Government of India approved a PLI scheme for the food processing sector with an incentive outlay of Rs. 10,900 crore (US\$ 1.48 billion) over a period of six years starting from FY22.
- The Agriculture Export Policy, 2018 was approved by the Government of India in December 2018. The new policy aimed to increase India's agricultural export to US\$ 60 billion by 2022 and US\$ 100 billion in the next few years with a stable trade policy regime.
- The Government of India is going to provide Rs. 2,000 crore (US\$ 306.29 million) for the computerisation of the Primary Agricultural Credit Society (PACS) to ensure cooperatives are benefitted through digital technology.
- The Government of India launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs. 50,000 crore (US\$ 7.7 billion) aimed at the development of irrigation sources for providing a permanent solution to drought.
- Government plans to triple the capacity of the food processing sector in India from the current 10% of agricultural produce and has also committed Rs. 6,000 crore (US\$ 729 million) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India has allowed 100% FDI in the marketing of food products and in food product E-commerce under the automatic route.
- To enhance the income of farmers, the government has taken initiatives across several focus areas. Income support is provided to farmers through PM KISAN Scheme, crop insurance is assured through the Pradhan Mantri Fasal Bima Yojana, and irrigation facilities are ensured under Pradhan Mantri Krishi Sinchai Yojana.
- Access to institutional credit is being provided through Kisan Credit Card and other channels.
- Under the e-NAM initiative, markets across the length and breadth of the nation are now open to farmers, to enable them to get more remunerative prices for their produce. Online, Competitive, Transparent Bidding System with 1.74 crore farmers and 2.39 lakh traders put in place under the National Agriculture Market (e-NAM) Scheme.
- The umbrella scheme Pradhan Mantri Annadata Aay Sanrakshana Abhiyan (PM-AASHA) ensures Minimum Support Price (MSP) to farmers for various Kharif and Rabi crops while also keeping a robust procurement mechanism in place.
- As per the Economic Survey 2022-23, Rs. 13,681 crore (US\$ 1.6 billion) were sanctioned for Post-Harvest Support and Community Farms under the Agriculture Infrastructure Fund.
- In order to increase the level of food- processing industry and encouraging rural entrepreneurship across the country including rural areas, the Ministry of Food Processing Industries (MoFPI) is implementing the Central Sector Umbrella Scheme Pradhan Mantri Kisan SAMPADA Yojana (PMKSY), Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and centrally sponsored PM Formalization of Micro Food Processing Enterprises (PMFME) Scheme.
- The PMFME Scheme provides financial, technical and business support for setting up/upgradation of 2 Lakh micro food processing enterprises through credit-linked subsidy during five years from 2020-21 to 2024-25 with an outlay of Rs. 10,000 crore (US\$ 1.27 billion).
- Under component schemes of PMKSY, MoFPI mostly provides financial assistance in the form of grants-in-aid to entrepreneurs for the creation of modern infrastructure and setting up of food processing/preservation industries including Cold Chains with associated infrastructure like primary processing facilities, collection centres, pre-conditioning, pre-cooling, ripening, packing, etc.
- As per the Union Budget 2023-24, A new sub-scheme of PM Matsya Sampada Yojana with the targeted investment of Rs. 6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.
- Digital Public Infrastructure for Agriculture: agriculture will be built as an open source, open standard, and interoperable public good. this will enable inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for the growth of the agri-tech industry and start-ups.

- To enhance the productivity of extra-long staple cotton, Government will adopt a cluster-based and value chain approach through Public Private Partnerships (PPP). This will mean collaboration between farmers, the state and industry for input supplies, extension services, and market linkages.
- Computerisation of 63,000 Primary Agricultural Credit Societies (PACS) with an investment of Rs. 2,516 crore (US\$ 305.9 million) initiated.
- Rs. 20 lakh crore (US\$ 24.41 billion) agricultural credit targeted at animal husbandry, dairy and fisheries.
- To make India a global hub for 'Shree Anna', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.

INDUSTRY OVERVIEW OF STEEL BUSINESS

INTRODUCTION

One of the primary forces behind industrialization has been the use of metals. Steel has traditionally occupied a top spot among metals. Steel production and consumption are frequently seen as measures of a country's economic development because it is both a raw material and an intermediary product. Therefore, it would not be an exaggeration to argue that the steel sector has always been at the forefront of industrial progress and that it is the foundation of any economy. The Indian steel industry is classified into three categories - major producers, main producers and secondary producers.

India is the world's second-largest producer of crude steel, with an output of 125.32 MT of crude steel and finished steel production of 121.29 MT in FY23.

India's steel production is estimated to grow 4-7% to 123-127 MT in FY24.

The growth in the Indian steel sector has been driven by the domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Indian steel industry is modern, with state-of-the-art steel mills. It has always strived for continuous modernisation of older plants and up-gradation to higher energy efficiency levels.



MARKET SIZE

In the past 10–12 years, India's steel sector has expanded significantly. Production has increased by 75% since 2008, while domestic steel demand has increased by almost 80%. The capacity for producing steel has grown concurrently, and the rise has been largely organic.

In FY23, the production of crude steel and finished steel stood at 125.32 MT and 121.29 MT respectively.

In FY24 (until July 2023), the production of crude steel and finished steel stood at 45.39 MT and 43.01 MT respectively.

In FY23, crude and finished steel production stood at 125.32 MT and 121.29 MT respectively. In July 2023, crude steel production in India stood at 11.52 MT. In July 2023, finished steel production stood at 10.53 MT.

In FY24 (until July 2023), the consumption of finished steel stood at 41.15 MT.

The per-capita consumption of steel stood at 86.7 kgs in FY23.

In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively. The consumption of finished steel stood at 105.751 MT in FY22. In FY23, the consumption of finished steel stood at 119.17 MT. In April-July 2022, the production of crude steel and finished steel stood at 40.95 MT and 38.55 MT respectively.

In FY23, exports and imports of finished steel stood at 6.7 MT and 6.02 MT, respectively. In FY22, India exported 11.14 MT of finished steel. In April 2023 exports of steel stood at 8.55 lakh metric tonnes (LMT), while imports stood at 4.60 LMT. In FY24 (until July 2023), the exports and imports of finished steel stood at 2.56 MT and 1.98 MT, respectively.

The annual production of steel is anticipated to exceed 300 million tonnes by 2030-31. By 2030-31, crude steel production is projected to reach 255 million tonnes at 85% capacity utilisation achieving 230 million tonnes of finished steel production, assuming a 10% yield loss or a 90% conversion ratio for the conversion of raw steel to finished steel. With net exports of 24 million tonnes, consumption is expected to reach 206 million tonnes by the years 2030–1931. As a result, it is anticipated that per-person steel consumption will grow to 160 kg.



INVESTMENTS

The steel industry and its associated mining and metallurgy sectors have seen major investments and developments in the recent past.

According to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT), between April 2000-March 2023, Indian metallurgical industries attracted FDI inflows of US\$ 17.23 billion.

In FY22, demand for steel was expected to increase by 17% to 110 million tonnes, driven by rising construction activities.

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

- In July 2023, Union Minister Mr. Jyotiraditya Scindia announced that Japan is eager to invest ¥ 5 trillion (US\$ 36 billion), in various sectors in India, including steel.
- As announced in May 2023, INOX Air Products will invest Rs. 1,300 crore (US\$ 157.5 million) to set up two air separation units having a capacity of 1,800 tonnes a day each at Tata Steel's plant in Dhenkanal, Odisha.
- In May 2023, the industry body Indian Steel Association (ISA) announced signing an agreement with the ASEAN Iron and Steel Council (AISC) to unlock new avenues of growth and sustainability in the steel sector.
- Mr. Jyotiraditya M. Scindia, the Union Minister of Steel, and Mr. Nishimura Yasutoshi, the Minister of Economy, Trade, and Industry of Japan, held a bilateral meeting on July 20, 2023, in New Delhi to discuss collaboration in the steel sector and issues relating to decarbonisation.
- AMNS India is planning to spend US\$ 7.4 billion on expanding capacity and increasing its value-added investments in both its upstream and downstream capacities and enhancing its iron ore capabilities.
- In May 2023, JSW Steel and JFE Steel, signed an agreement to set up a JV company to manufacture the entire range of cold rolled grain-oriented electrical steel (CRGO) products at Vijaynagar in Karnataka.
- In April 2023, AMNS India, a joint venture between ArcelorMittal and Nippon Steel, received approval from India's regulatory body (NCLT) to acquire Indian Steel Corporation.

- Tata Steel in April 2023, informed that it has signed an agreement with A&B Global Mining to harness new business development opportunities and deliver mine technical services. The steel major will closely work with ABGM India which will interface with their South African entity to explore business opportunities in India and abroad besides utilising each other's technical and strategic strengths to deliver projects across the mining and metals, including the steel value chain.
- 67 applications from 30 companies have been selected under the Production Linked Incentive (PLI) Scheme for Specialty Steel. This will attract committed investment of Rs. 42,500 crore (US\$ 5.19 billion) with a downstream capacity addition of 26 million tonnes and employment generation potential of 70,000.
- In September 2022, Steel Authority of India Limited (SAIL), a Maharatna PSU, supplied 30,000 tonnes of the entire DMR grade specialty steel for the nation's first indigenously built Aircraft Carrier INS Vikrant.
- In August 2022, Tata Steel signed an MoU with Punjab Government to set up a steel scrap based electric arc furnace steel plant.
- In May 2022, Tata Steel announced a CAPEX of Rs. 12,000 crore (US\$ 1.50 billion).
- In October 2021, Tata Steel was planning to set up more scrap-based facilities that will have a capacity of at least a billion tonnes by 2025.
- In October 2021, JSW Steel invested Rs. 150 billion (US\$ 19.9 million) to build a steel plant in Jammu and Kashmir and boost manufacturing in the region.
- In October 2021, ArcelorMittal and Nippon Steel Corp.'s joint venture steel firm in India, announced a plan to expand its operations in the country by investing ~Rs. 1 trillion (US\$ 13.34 billion) over 10 years.
- In August 2021, Tata Steel announced to invest Rs. 8,000 crore (US\$ 1.08 billion) in capital expenditure to develop operations in India in FY22.
- In August 2021, ArcelorMittal announced to invest Rs. 1 lakh crore (US\$ 13.48 billion) in Gujarat for capacity expansion.
- In August 2021, Tata Steel announced to invest Rs. 3,000 crore (US\$ 404.46 million) in Jharkhand to expand capacities over the next three years.
- In August 2021, Jindal Steel & Power Ltd. announced plans to invest US\$ 2.4 billion to increase capacity over the next six years to meet the rising demand from customers.
- In the next three years from June 2021, JSW Steel is planning to invest Rs. 47,457 crore (US\$ 6.36 billion) to increase Vijayanagar's steel plant capacity by 5 MTPA and establish a mining infrastructure in Odisha.

GOVERNMENT INITIATIVES

Some of the other recent Government initiatives in this sector are as follows:

- In October 2021, the government announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme.
- In October 2021, India and Russia signed an MoU to carry out R&D in the steel sector and produce coking coal (used in steel making).
- In July 2021, the Union Cabinet approved the production-linked incentive (PLI) scheme for specialty steel. The scheme is expected to attract investment worth ~Rs. 400 billion (US\$ 5.37 billion) and expand specialty steel capacity by 25 million tonnes (MT), to 42 MT in FY27, from 18 MT in FY21.
- In June 2021, Minister of Steel & Petroleum & Natural Gas, Mr. Dharmendra Pradhan addressed the webinar on 'Making Eastern India a manufacturing hub with respect to metallurgical industries', organised by the Indian Institute of Metals. In 2020, 'Mission Purvodaya' was launched to accelerate the development of the eastern states of India (Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh) through the establishment of an integrated steel hub in Kolkata, West Bengal. Eastern India has the potential to add >75% of the country's incremental steel capacity. It is expected that of the 300 MT capacity by 2030-31, >200 MT can come from this region alone.

- In June 2021, JSW Steel, CSIR-National Chemical Lab (NCL), Scottish Development International (SDI) and India H2 Alliance (IH2A) joined forces to commercialise hydrogen in the steel and cement sectors.
- Under the Union Budget 2023-24, the government allocated Rs. 70.15 crore (US\$ 8.6 million) to the Ministry of Steel.
- In addition, an investment of Rs. 75,000 crore (US\$ 9.15 billion) (including Rs. 15,000 crore (US\$ 1.83 billion) from private sources) has been allocated for 100 critical transport infrastructure projects for last and first mile connectivity for various sectors such as ports, coal, and steel.
- In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India–Japan Steel Dialogue.
- The Union Cabinet, Government of India approved the National Steel Policy (NSP) 2017, as it intends to create a globally competitive steel industry in India. NSP 2017 envisage 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating the setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs. 200 crore (US\$ 30 million).
- The Government of India raised import duty on most steel items twice, each time by 2.5% and imposed measures including anti-dumping and safeguard duties on iron and steel items.

ROAD AHEAD

The steel industry has emerged as a major focus area given the dependence of a diverse range of sectors on its output as India works to become a manufacturing powerhouse through policy initiatives like Make in India. With the industry accounting for about 2% of the nation's GDP, India ranks as the world's second-largest producer of steel and is poised to overtake China as the world's second-largest consumer of steel. Both the industry and the nation's export manufacturing capacity have the potential to help India regain its favourable steel trade balance.

The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31. As per Indian Steel Association (ISA), steel demand will grow by 7.2% in 2019-20 and 2020-21.



Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Note: Conversion rate used in May 2023, Rs. 1 = US\$ 0.012

Source: <https://www.ibef.org/industry/steel>

BUSINESS OVERVIEW

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve month period ended March 31 of that year.

You should carefully consider all the information in this Letter of Offer, including, “Risk Factors”, “Industry Overview”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition” beginning on pages 23, 60, 82 and 126 respectively, before making an investment in the Equity Shares.

In this section, any reference to the “Company” “we”, “us” or “our” refers to Pradhin Limited.

OVERVIEW

Pradhin Limited offers a diverse range of services across the steel and agriculture sectors and Dairy products,.

OUR COMPETITIVE STRENGTHS

1. Experienced Management Team:

Our management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. They are having an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our management have been instrumental in driving our growth and implementing our strategies. We believe that the experience of our management team and its in depth understanding of the market in the region will enable us to continue to take advantage of both current and future market opportunities.

2. Quality

Our Company has always believed in the best quality in our products. Our Company is dedicated towards quality of our products and we adhere to quality standards as prescribed by our clients

3. Scalable Business Model

We believe that our business model is scalable. Our Business model is customer centric, and requires optimum utilisation of our existing resources, assuring quality supply and achieving consequent economies of scale. The business scale generation is basically due to development of new markets domestically by exploring customer needs and by maintaining the consistent quality output.

4. Existing Supplier Relationship:

Our existing supplier relationship protects the business with terms of supply and pricing of the products, the quality of the products offered etc. We, being a small and medium size organization, rely on personal relationships with our suppliers. Our company enjoys existing relationship with our suppliers. Further we also leverage the past experience of our management in maintaining effective supplier relationship.

OUR STRATEGIES

We strive for complete transparency and satisfaction of our clients with an unwavering thrust and focus on professional excellence and integrity. Our key strategic initiatives are described below:

1. Focus on Increase in Volume of Sales

As part of our growth strategy we intend to focus on increase in volume of sales by increasing our area of operation

2. Competitive Pricing

To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the competition and claim a position of strength in the marketplace.

3. Attracting and retaining the highest quality professionals

In our industry People are the most valuable asset of the company and the reputation of the company will be built up by the management team. The dedication of the employees, professional skill, integrity and technical analytical mind results in success and growth of business. The well informed, technically and professionally qualified employee will help the clients to take correct decision and thereby we can retain the clients and increase our clientele through mouth publicity of our company. We intend to continue to seek out talent to further enhance and grow our business.

PROPERTY

The following table sets forth the location and other details of the leasehold properties of our Company:

Description of Property	Name of Lessor	Agreement Date, Lease Date	Period
61, Sembudoss Street, Chennai, Tamil Nadu, India, 600001	Mr. Chimanlal R patel	September 11, 2024	11 months & 29 Days

Intellectual Property

Our Company do not own any intellectual property including trademark.

Manpower

Our Company is committed towards creating an organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning platform that recognizes meritorious performance.

The following is a department-wise break-up of our employees as on March 31, 2024 do not have any outstanding export obligations.

Sr. No.	Category	Total
1	Management	10
2	Others	3
	Total	13

OUR FINANCIAL PERFORMANCE

Particulars	Financial Statements for the Financial Year ending			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	3,64,69,000	3,64,69,000	3,64,69,000	3,64,69,000
Net Worth	6,62,59,000	6,08,25,000	6,18,48,000	5,84,73,000
Total Income	5,43,90,000	17,18,88,000	20,31,62,000	24,01,36,000

Profit / (loss) after tax	54,33,000	(10,24,000)	33,75,000	(22,70,000)
Basic and diluted EPS	1.49	(0.28)	0.92	(0.62)
Total borrowings	1,09,09,000	87,57,000	82,77,000	77,37,000

MAIN OBJECTS OF OUR COMPANY AS PER MOA

A. MAIN OBJECT OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION

1. To set up Steel Furnace and continuous casting and rolling Mill Plant for producing steel and alloy Steel billets, and all kinds and sizes of rerolled sections, such as flats, angles, rounds, squares, hexagons, octagons, rails, joints, channels, Steel strips, sheets, plates, deformed bars, plain and coiled twisted bars, bright bars, shafting's, and steel structural's.
2. To carry on all or any of the business of manufacturers, processors, importers, exporters, of and dealers in all kinds of ferrous and non-ferrous materials meant for any industrial or non-industrial use whatsoever and to carry on the business in cold or hot rolling, rerolling, smithing, edge milling. To act as merchants or agents for the same or purchase of all or any of the products or by products of any and every such business or for the materials used in the production or manufacture thereof, or in connection with the above business of the company.
3. To carry on all or any of the business of manufacturers, drawers, rollers, repairers, connectors, makers, exporters, importers, agents, stockists, brokers, traders, and dealers, of and in iron, steel, alloy steel, all ferrous and non-ferrous, metals castings, scrap, billets, rods, wires, pipes, tubes, hoops, strips, engineering industrial and consumer products and goods, machines, agricultural and industrial tools, equipments and accessories and all raw-material, machinery and stores required in connection therewith.
4. To manufacture, assemble, prepare, export, import, trade and deal in Railway materials, track fittings, signaling and interlocking equipment and fitting, wagon coach and carriage components and fittings, agricultural implements and accessories, structural materials of all kinds, bolts, nuts, washers, screws, nails, hinges, cast iron pipes, fittings, and other materials, steel and metal furnitures and containers, telephone, telegraph and electronic equipments, materials and appliances, and all machinery stores, tools, raw-materials required in connection therewith and all its finished and semifinished products, byproducts and scraps.
5. To manufacture calcinide coke out of raw-petroleum coke and from any raw-material which is suitable to produce calcinide coke.
6. To generate hydro, thermal, wind, sea, solar and all other types of power and to distribute the power and electricity for industrial, domestic, commercial purposes and to manufacture the equipment required for setting up of all types of power plants and to deal in such equipment and to render consultancy.
7. To establish necessary power stations, cables, wire lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity for the purpose of light, heat, motive power and for all other purposes, for which electrical energy can be employed and to manufacture and deal in all other apparatus and things required for or capable of being used in connection with generation, distribution, supply, accumulation and employment of electricity (Altered by special resolution passed at the AGM held on 20.04.1995)
8. To carry on the business of electric power, light and supply, design, construct, layout, establish, fix, carry out and run all necessary power stations, workshops, repair shops, sub-stations, transmission lines, cables, wires, accumulators and works and to generate, accumulate, distribute and supply electricity to industries or to State Electricity Board or to Cities, Towns, Streets, Docks, Markets Clauses 6 to 8 inserted by Special Resolution passed at the AGM held on 21.9.1995 and approved by Company Law Board by an order dt 24.2.1996 Petition no.738/17/SRB/95.
9. *To carry on the business of manufacturing, producing, dealing, buying, selling, reselling, developing, marketing, promoting, importing, exporting, trading, cultivating, supplying, growing, and dealing in any manner whatsoever in Argo based Products, Dairy products, Food Stuffs, Cereals, Grains, Groceries, Cosmetics, Provisions, Tea, Coffee and other products of every nature & kind on retail as well as on wholesale basis in India or elsewhere.
10. *To act as broker, trader, agent, C & F agent, shipper, commission agent, distributor, representative, franchiser, consultant, collaborator, stockist, in Argo based Products, dairy products, Food Stuffs, Cereals, Grains, Groceries, Cosmetics, Provisions, Tea, Coffee and other products of every nature & kind on retail as well as on wholesale basis.

11. **To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere.

12. **To carry on the business as owner builders, colonisers, developers, promoters, proprietors, occupiers, lessors, civil contractors, maintainer and mortgagors of residential, commercial and industrial buildings, colonies, building for mills and factory's sheds and buildings, workshop's building, cinema's houses. and to undertake and to carry on the business of purchasing, selling and developing any type of land or plot whether residential, agriculture, commercial, industrial, rural or urban that may belong to company or to any other person of whatever nature and to make agreements to sell the land to the company or of anybody else. *Inserted main object clause 9 & 10 Vide Special Resolution passed at the 36th AGM on 30th August, 2018*
**Inserted main object clause 11 & 12 Vide Special Resolution passed in the ExtraOrdinary General Meeting held on 20th August, 2024

CHANGES IN MEMORANDUM OF ASSOCIATION

The following changes have been made in the Memorandum of Association of our Company since inception:

Sr. No.	Particulars	Date of Meeting
1.	Increase In The Authorised Share Capital Of The Company From 4,00,00,000/- to 5,00,00,000/-	17 th October, 1994
2.	Alteration of Object Clause	20 th April, 1995
3.	Alteration of Object Clause	24 th February, 1996
4.	Alteration of Object Clause	30 th August, 2018
5.	Change in the Name of the Company	30 th August 2018
6.	Increase In The Authorised Share Capital Of The Company From 5,00,00,000/- to 24,00,00,000/-	20 th August, 2024
7.	Alteration of Object Clause	20 th August, 2024

OUR MANAGEMENT

BOARD OF DIRECTORS

As on date of this Draft Letter of Offer, our Company currently has 8(Eight) directors on its Board, 4 (Four) Independent and 4 (Four) Executive Director. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations, to the extent applicable.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Letter of Offer:

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age	Other directorships
<p>MR. Jay Mansukhbhai Sapariya</p> <p><i>Designation:</i> Additional Executive Director</p> <p><i>Address:</i> B 802, Galaxy Heights, Nikol Service Road, Ahmedabad Gujarat India 382350</p> <p><i>Occupation:</i> Business;</p> <p><i>Current Term:</i> Appointed for a period of Five consecutive years</p> <p><i>Date of Appointment</i> Since June 28, 2024</p> <p><i>Nationality:</i> Indian;</p> <p><i>Date of Birth:</i> January 01, 1995</p> <p><i>DIN:</i> 10683245</p>	29 years	No. of other Company directorships- 0
<p>Mr. Jay Rajeshbhai Patel</p> <p><i>Designation</i> Additional Executive Director</p> <p><i>Address</i> Flat No. 19, Parthana Apartment, Mahavirnagar Hirawadi Road, Saijpurbogha Ahmadabad City Gujarat India 382345</p> <p><i>Occupation</i> Business</p> <p><i>Current Term</i> Appointment for 5 Year;</p> <p><i>Date of Appointment</i> Since June 01, 2024</p> <p><i>Nationality</i> Indian;</p> <p><i>Date of Birth</i> September 01, 1990</p> <p><i>DIN</i> 10623714</p>	34 years	No. of other Company directorship – 2 1. Antarctica Limited 2. Techroxy Solution Private Limited

<p>Mr. Mohitkumar Shailesh kumar Patel</p> <p><i>Designation</i> Additional Executive Director</p> <p><i>Address</i> 512, Om Nagar gali No. 9, Opp. Millenium Park, Udhna Gujarat India 394210</p> <p><i>Occupation</i> Business</p> <p><i>Current Term</i> Appiontment for 5 year</p> <p><i>Date of Appointment</i> Since June 01, 2024;</p> <p><i>Nationality</i> Indian</p> <p><i>Date of Birth</i> July 24, 2001</p> <p><i>DIN</i> 10644334</p>	23 Years	No. of other Company directorship – 1 1. Techroxy Solution Private Limited
<p>Mr. Nilesh Ghanshyam Bide</p> <p><i>Designation</i> Additional Independent Non-Executive Director</p> <p><i>Address</i> F/63, C/3, Survey No. 7-8 (Part) ,Elite Empire Society, Near Bharati Vidyapeeth School, Balewadi Pune, Pune City, Nia Maharashtra India 411045</p> <p><i>Occupation</i> Business</p> <p><i>Current Term</i> Appiontment for 5 year ;</p> <p><i>Date of Appointment</i> Since November 06, 2023;</p> <p><i>Nationality</i> Indian</p> <p><i>Date of Birth</i> March 03, 1984</p> <p><i>DIN</i> 06366702</p>	40 years	No. of other Company directorship – 1 1. Nidan Laboratorie sAnd Healthcare Limited
<p>Mr. Abhijeet Ramesh Dhanegaonkar</p> <p><i>Designation</i> Additional Independent Non-Executive Director</p> <p><i>Address</i> Plot No. 7/8, Sector P-3/14, DyantirthScoiety, Near Government Boys Hostel N-8 Cidco Aurangabad, Maharashtra India 431001</p> <p><i>Occupation</i> Business</p> <p><i>Current Term</i> Appiontment for 5 year ;</p> <p><i>Date of Appointment</i> Since June 06, 1976;</p>	47 years	No. of other Company directorship – 1 1.Nidan LaboratoriesAn d Healthcare Limited 2. Dhanegaon kar Healthcare Private

<i>Nationality</i>	Indian		Limited
<i>Date of Birth</i>	November 11, 2023		
<i>DIN</i>	08395353		
Mr. Hariprit Nitin Thorave			
<i>Designation</i>	Additional Executive Director		No. of other Company directorship – 1
<i>Address</i>	SwapnashilpBungalow,VartakRoad,VirarWest,Behind Arti Appartment, Vasai Virar Municipal Corporation,Virar, Thane Mahar Vasai Maharashtra India 401303	47 years	1.Nidan LaboratoriesAnd Healthcare Limited
<i>Occupation</i>	Business		
<i>Current Term</i>	Appiontment for 5 year ;		
<i>Date of Appointment</i>	Since June 06, 1976;		
<i>Nationality</i>	Indian		
<i>Date of Birth</i>	November 11, 2023		
<i>DIN</i>	10359981		
Mr. Tejesh Vilas Patil			
<i>Designation</i>	Additional Independent Non-Executive Director		No. of other Company directorship – 1
<i>Address</i>	At Zidke, Post-Dighashi, Ambadi, Vajreshwari Road, Ambadi, ZIdake, Near Marathi School, Thane, Dighashi, Maharashtra 421302	41 years	1.Nidan LaboratoriesAnd Healthcare Limited
<i>Occupation</i>	Business		
<i>Current Term</i>	Appiontment for 5 year ;		
<i>Date of Appointment</i>	Since June 06, 1976;		
<i>Nationality</i>	Indian		
<i>Date of Birth</i>	July 13, 1983		
<i>DIN</i>	09528338		

Past Directorships in suspended companies

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

Past Directorships in delisted companies

Further, none of our Directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.

Relationship between Directors

None of our Directors are related to each other.

Arrangement or understanding with major Shareholders, customers, suppliers or others

Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers, or others pursuant to which any of the above-mentioned directors have been appointed in the Board.

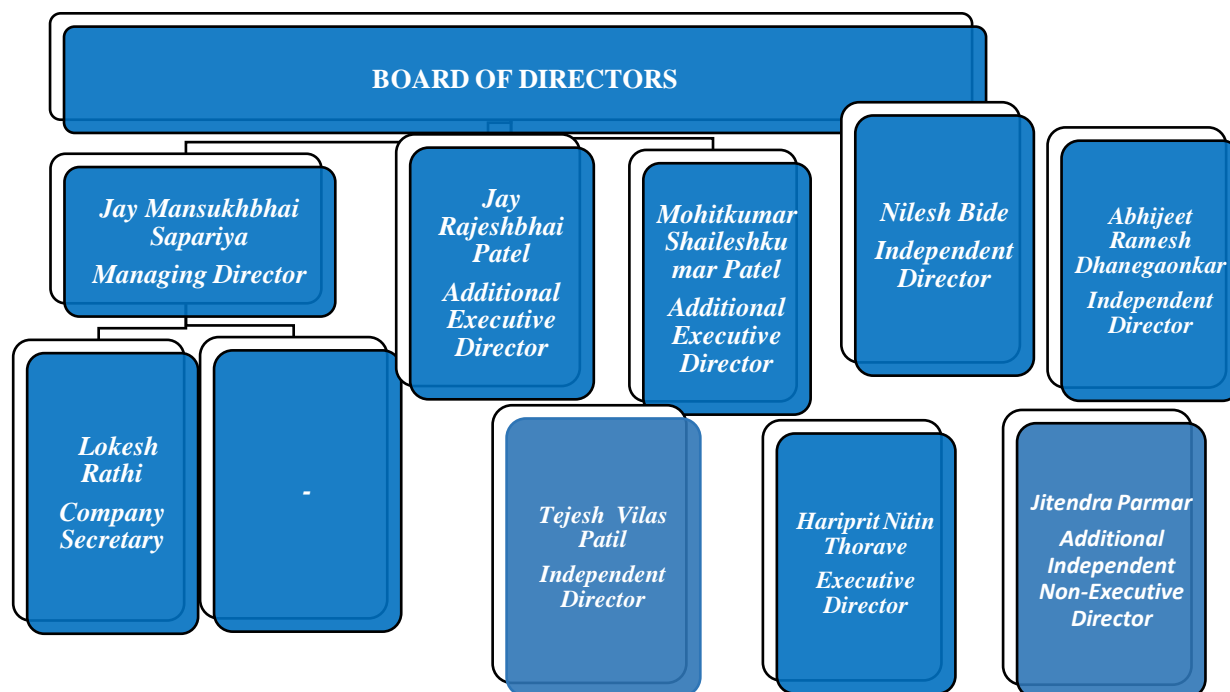
Details of service contracts entered with Directors

Our Company has not entered into any service contracts with the present Board of Directors for providing benefits upon termination of employment.

KEY MANAGERIAL PERSONNEL

Status of Key Managerial Personnel	Age (Years)
<p>MR. LOKESH RATHI</p> <p><i>Designation</i> Company Secretary and Compliance Officer;</p> <p><i>Address</i> 61, Sembudoss Street, Chennai, Tamil Nadu, India, 600001</p> <p><i>Date of Appointment</i> August08, 2024</p> <p><i>Nationality</i> Indian;</p> <p><i>Educational Qualification</i> Company Secretary;</p>	34 Years

ORGANISATIONAL STRUCTURE



SECTION V: FINANCIAL INFORMATION**FINANCIAL STATEMENTS**

Sr. No.	Particulars	Page Number
1.	Audited Financial Statements of our Company as at and for the financial year ended March 31, 2024	80-104
2.	Unaudited Financial Statements of our Company as at and for the quarter year ended June 30, 2024	105-107

Material changes and commitments, if any, affecting our financial position

There are no material changes and commitments, which are likely to affect our financial position since March 31, 2024 till date of this Letter of Offer. We have not given Restated Financials because we fall under Part B of SEBI (ICDR), 2018.

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENT

Independent Auditors Report on the Financial Statements

To the Members of Pradhin Limited Report On the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Pradhin Limited ("the company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and loss (including Other Comprehensive Income), statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing 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 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

We have determined that there are no key audit matters to be communicated in our report

Information Other than the 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 director's report but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 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

1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable
2. As required by Section 143(3) of the Act, based on our audit 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 *except for the matter stated in paragraph h(v) below*
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS 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 March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any managerial remuneration to its directors during the year

h) 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, as amended 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 financial statements. Refer Note No.29 & 30 to the Financial Statements
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund
- 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 (which are material either individually or in the aggregate) 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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

(b) 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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. Based on our examination, which include test checks, the company is using the accounting software for maintaining its books of accounts for the financial year ended March 31, 2024 which does not have the feature of recording audit trail (edit log) facility, and the same has not operated throughout the year for all relevant transaction recorded in software

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- vi. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year

For R.K Chapawat & Co.
Chartered Accountants
Firm Reg. No: 101708W

Sd/-
Kamlesh Chapawat
Partner
Membership No :- 181441
UDIN:- 24181441BKGEKU2453
Place: Mumbai
Date: 25th May 2024.

Annexure “A” to the Auditors Report

The Annexure referred to in our Independent Auditor’s Report to the members of the Company on the financial statements as of and for the year ended 31st March 2024, we report that:

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanation given to us and the books of accounts and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i)
 - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment .
 - B The Company does not own any intangible assets, accordingly the requirement to report under clause 3 (i) (a) (B) is not applicable.
 - b) According to the information and explanation given to us, all Property, Plant and equipments have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
 - c) The Company does not own any immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee). Accordingly, the requirement to report under clause 3 (i)(c) is not applicable
 - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year, accordingly the requirement to report under clause 3 (i)(d) is not applicable.
 - e) To the best of our knowledge and according to the information and explanations given to us, neither any proceedings have been initiated nor are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii)
 - a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. There were no discrepancies of 10% or more in aggregate for each class of inventory.
 - b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii) (b) of the Order is not applicable to the Company

(iii) 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 investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to the other party during the year, details of the loan is stated in sub-clause (a) below. The Company has not granted any loans, secured or unsecured, to Company, firms, limited liability partnerships or any other parties during the year.

(a) 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

B Based on the audit procedures carried on by us and as per the information and explanations given to us; the Company has granted loans to the parties other than subsidiaries as below:

articulars	mount (Rs in Lakhs)
Aggregate amount provided during the year – others	13
alance outstanding as at balance sheet date – others	13

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the company

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable

(iv) The Company has complied with the provisions of sections 185 or 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The Company is not required to maintain cost records under sub -section (1) of section 148 of the Companies Act. Accordingly, the requirement to report under clause 3(vi) of the Order is not applicable to the company

- (vii) a) The Company does not have liability in respect of sales-tax, service tax, duty of excise and value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into Goods and Service Tax (GST). According to the information and explanations given to us and on the basis of our examination of the records of the company, amount deducted/accrued in the books of accounts in respect of undisputed statutory dues including goods and services tax, provident fund, income tax, cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities. As explained to us the company did not have any dues on account of employees' state insurance and duty of customs. According to the information and explanation given to us no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income Tax and other statutory dues were in arrear at the year end, for a period of more than six months from the date they became payable
- b) According to the information and explanation provided to us, no undisputed statutory dues referred to in sub – clause (a) are payable to authorities on account of any dispute except mentioned hereunder

Name of the statute	Nature of Dues	Amount (Rs in lacs)	Period to which amount relates	Forum where dispute is pending	Remarks if any
Income Tax	Addition to income & Disallowance of expenditure	5.38	AY 2018-19	Commissioner of Income Tax	Provision of Tax not made in the books of accounts.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year
- (ix)(a) Loans amounting to Rs. 1.15 Lacs from directors of the Company are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. According to the information and explanation given to us, such loans and interest thereon have not been demanded for repayment during the year under audit. Considering the above, in our opinion, the Company has not defaulted in repayment of loans or other borrowings, or in the payment of interest thereon.
- (b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the Company has not taken any loan from Bank or Financial Institution or other lender, hence clause 3(ix) (b), (c) and (d) are not applicable to the Company.
- (e) The Company does not have any subsidiaries, joint ventures or associate companies, hence clause 3(ix) (e) and (f) is not applicable to it.
- (x)(a) In our opinion and according to the explanations and information given to us, the Company did not raise money by way of initial public offer or further public offer including debt instrument during the year. Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable.

- (b) In our opinion and according to the explanations and information given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable
- (xi)
(a) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act 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 represented to us by the Management, there are no whistle-blower complaints received by the Company during the year
- (xii) The Company is not a Nidhi Company, hence reporting under clause 3 (xii) of the Order is not applicable.
- (xiii) According to the explanations and information given to us by the management in our opinion, the Company is in compliance with sections 177 and 188 of Companies Act where applicable for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, as required by the applicable accounting standards
- (xiv)(a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us
- (xv) According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them as referred to in section 192 of the Companies Act, 2013, Hence requirement to report under clause 3(xv) of the Order is not applicable.
- (xvi)(a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable .
(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable.
(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable
(d) According to the information and explanation given by the management, there is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable.
- (xvii) According to the information explanation provided to us, the Company has not incurred cash losses in the current financial year but has incurred cash losses of Rs 10.09 lacs in the immediately preceding financial year.

- (xviii) There has been resignation of the statutory auditor during the year and we have taken into consideration of issues, objections or concerns raised by the outgoing auditor
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors 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 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company does not fall in the criteria provided under section 135 of the Companies Act 2013, accordingly requirement to report under clause (xx) is not applicable

For R.K Chapawat & Co.
Chartered Accountants
Firm Reg. No: 101708W

Sd/-
Kamlesh Chapawat
Partner
Membership No :- 181441
UDIN:- 24181441BKGEKU2453

Place: Mumbai
Date: 25th May 2024.

Annexure - "B" to the Independent Auditor's on the financial statement of Pradhin Limited for the year ended 31st March 2024

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial control with reference to the financial statements of Pradhin Limited ("the Company") as of 31 March 2024 in conjunction with our audit of financial statements of company and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note")

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on "the internal control with reference to financial statements 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 with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements 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 controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected

depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with reference to financial statements

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to the financial statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For R.K Chapawat & Co.
Chartered Accountants
Firm Reg. No: 101708W

Sd/-
Kamlesh Chapawat
Partner
Membership No :- 181441
UDIN:- 24181441BKGEKU2453

Place: Mumbai
Date: 25th May 2024

Pradhin Limited		(₹ in lakhs)	
Balance Sheet as at 31st March 2024			
Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3A	0.08	0.12
Capital work-in-progress	3B	-	-
Intangible Asset	3B	-	-
Financial assets			
Investments		-	-
Other Financial Assets	4	29.56	29.57
Deferred Tax assets	5	17.26	17.60
Other non-current assets		-	-
Total non-current assets		46.90	47.29
Current assets			
Inventories	6	420.67	-
Financial assets			
Trade receivables	7	-	-
Billed		83.68	634.60
Unbilled		-	-
Cash and cash equivalents	8	2.18	3.32
Bank balances other than Cash and cash equivalents	9	-	0.01
Loans	10	114.01	-
Other Financial Assets	4	103.79	5.93
Current tax assets (net)	11	0.45	4.67
Other current assets		-	-
Total current assets		724.78	648.53
TOTAL ASSETS		771.68	695.82
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	12	364.69	364.69
Other equity	13	297.90	243.56
Total equity		662.59	608.25
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	14	-	4.36
Lease Liability		-	-
Provisions		-	-
Other non-current liabilities		-	-
Total non-current liabilities		-	4.36
Current liabilities			
Financial liabilities			
Borrowings	14	1.15	-
Lease Liability		-	-
Trade payables	15	-	-
- Total outstanding dues of micro enterprise and small enterprise; and		3.71	8.50
- Total outstanding dues of creditors other than micro enterprise and small enterprise		93.84	72.66
Other financial liabilities		-	-
Provisions	16	-	1.66
Other current liabilities	17	0.57	0.39
Current tax liability (Net)	18	9.82	-
Total current liabilities		109.09	83.21
TOTAL EQUITY AND LIABILITIES		771.68	695.82
Notes 1 to 39 form an integral part of the financial statements			
As per our attached report of even date			
For R. K. Chapawat & Co. Chartered Accountants Firm Registration No.101708W		For and on behalf of the Board of director Pradhin Limited	

SD/-

Kamlesh Chapawat Partner
Mem. No. 181441

Place: Mumbai
Date: 25th May 2024

Sd/-

Hariprit Nitin Thorve
Director
DIN : 10359981

Place: Mumbai
Date : 25th May 2024

Sd/-

Saily Thorve
Director
DIN : 10100615

Sd/-

Sunil Inani
Chief Financial officer

Pradhin Limited			
Statement of Profit and Loss for the year ended 31 March 2024			
(₹ in lakhs)			
Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
INCOME			
Revenue from Operations	19	460.62	1,706.41
Other Income	20	83.28	12.47
Total Income		543.90	1,718.88
EXPENSES			
Purchase of Stock-in-Trade	21	877.64	1,683.69
Changes in Inventories of finished goods and Work in progress	22	(420.67)	11.88
Employee benefits expense	23	5.24	4.28
Finance costs	24	0.60	2.23
Depreciation and amortisation expense	3	0.04	0.12
Other expenses	25	14.66	28.19
Total expenses		477.52	1,730.39
Profit / (Loss) before tax		66.38	(11.51)
Tax expense/ (credit)			
Current tax		9.81	-
Deferred tax liability / (assets)		0.34	0.04
Tax for earlier years		1.89	(1.32)
Total Tax expense/ (credit)		12.03	(1.27)
Profit/ (loss) for the year (A)		54.33	(10.24)
Other comprehensive income (OCI)			
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		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/ (loss) for the year, net of tax		54.33	(10.24)
Earnings per share (EPS)			
26			
(per equity share of nominal value Rs. 10 each)			
Basic and diluted (in Rs.)		1.49	(0.28)
Notes 1 to 39 form an integral part of the financial statements			
As per our attached report of even date			
For R. K. Chapawat & Co.		For and on behalf of the Board of director	
Chartered Accountants		Pradhin Limited	
Firm Registration No.101708W			
Sd/-	Sd/-	Sd/-	Sd/-
Kamlesh Chapawat	Hariprit Nitin Thorve	Saily Thorve	Sunil Inani
Partner	Director	Director	Chief Financial officer
Mem. No. 181441	DIN : 10359981	DIN : 10100615	
Place: Mumbai	Place: Mumbai		
Date : 25th May 2024	Date : 25th May 2024		

Pradhin Limited
Notes forming part of financial statement for the year ended 31st March 2024

Note 1. Company Information

Pradhin Limited (the Company) (CIN: L15100TN1982PLC009418) is a public limited company domiciled in India incorporated under the Provisions of Companies Act, 1956 having its registered office at **New no. 54, Old no. 61, Sembudoss street, Chennai- 600001, India**

The company maintains its books of accounts at Survey No 294/A H. No 18, Swapnashilpa , Behind Arti Apartment, VartakRoad, Virar West, Pin 401303 . Its shares are listed on the Bombay Stock Exchange.

This financial statements were approved by the Board of Directors and authorised for issue on 25th May 2024

Note 2 Material Accounting Policies

2.1 Basis of Preparation and Measurement

a) Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] (as amended from time to time) and other relevant provisions of the Act.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Company's Financial Statements are presented in Indian Rupees (INR) which is also its Functional Currency.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

b) Basis of measurement

These financial statements are prepared under the historical cost convention except for certain class of financial assets and financial liabilities that are measured at fair value or amortized book value.

2.2 Use of estimates, judgements and assumptions

The preparation of the standalone financial statements in conformity with Ind AS requires Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

2.3 Material Accounting Policies

(a) Property, Plant & Equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. These tangible assets are held for use in supply of goods or services or for administrative purposes.

Cost comprises purchase cost, freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation up to the time when the asset is ready for intended use. Such costs also include borrowing cost if the recognition criteria are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is charged so as to write off the cost or value of assets, over their estimated useful lives. Depreciation is calculated on pro rata basis using the written down value method. The estimated useful lives and residual values are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from the others components of the asset. Depreciation commences when the assets are ready for their intended use. Depreciated assets in property and accumulated depreciation accounts are retained fully until they are removed/retired from active use. The useful life of the items of Property, Plant and Equipment estimated by the management for the current and comparative period are in line with the useful life as per Schedule II of the Companies Act, 2013.

(b) Impairment

Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(c) Inventories

Items of inventories are valued at lower of cost and net realizable value. Cost of finished goods includes materials, labour and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using FIFO method Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(d) Cash and cash equivalents

Cash comprises cash on hand, cash at bank and other deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above and additionally includes unpaid dividend account.

(e) Trade receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business if longer), they are classified as Current Assets otherwise as Non-Current Assets. Trade receivables are measured at their transaction price on initial recognition, unless it contains a significant financing component or pricing adjustments embedded in the contract. Trade receivables are held with the objective of collecting the contractual cash flows and therefore are subsequently measured at amortised cost less loss allowance

(f) Trade and other payable

These amounts represent liabilities for goods and services provided to the Company and are unpaid at the end of the financial year. The amounts are usually unsecured and usually paid within time limits as contracted. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their transactional value which represents the fair value and subsequently measured at amortised cost using the effective interest method wherever applicable

(g) Financial Instruments

A. Financial Assets Classification of financial assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt instruments'.

Initial recognition and subsequent measurement

All financial assets are recognised on a trade date when the purchase of a financial asset is under a contract whose term requires delivery of the financial asset within the timeframe established by the market concerned. Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets which are classified as at fair value through profit or loss (FVTPL) at inception. For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- . Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- . Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Pradhin Limited
Notes forming part of financial statement for the year ended 31st March 2024

Debt instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) till derecognition on the basis of :

- (i) the Company's business model for managing the financial assets and
 - (ii) the contractual cash flow characteristics of the financial asset.
- (i) Measured at Amortised cost**
- Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- (ii) Measured at Fair value through other Comprehensive income (FVOCI)**
- Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in statement of profit and loss. When the financial assets are derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss. Interest income from these financial assets is included in other income using the effective interest rate method
- (iii) Measured at Fair value through Profit or loss (FVTPL)**
- Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the Statement of Profit and loss in the period in which it arises. Interest income from these financial assets is included in other income

Equity instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Impairment of Financial assets

The Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company assesses on a forward looking basis the expected credit losses associated with receivables based on historical trends and past experience

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contractual receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contracted cash flows that are due to the company in accordance with the contract and all the cash flows that the company to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as Income/(Expense) in the Statement of Profit & Loss.

Derecognition

A financial asset is derecognised only when

- The rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows to one or more recipient.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

B. Financial Liability Classification as liability or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and subsequent measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as loans, borrowings and payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

After initial recognition, interest-bearing loans, borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or release the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(h) Fair value measurement

The company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(i) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present legal or constructive obligation, as a result of past events that probably requires an outflow of resources and when a reliable estimate of the amount of obligation can be made at the reporting date. Provisions are measured at the present value of management best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is recognized.

(j) Revenue recognition

The Company recognizes revenue when it satisfies a performance obligation in accordance with the contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when legal title, physical possession, risk of obsolescence, loss and rewards of ownership pass to the customer and the company has the present right to payment, all of which occurs at a point in time upon delivery of the product.

Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example taxes collected on behalf of government). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

The transaction price is allocated by the Company to each performance obligation in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods to the customer. For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. When either party to a contract has performed its obligation, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

- Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

- Other incomes have been recognized on accrual basis in the financial statements, except when there is uncertainty of collection

(k) Employee benefits

Liabilities for salaries and performance incentives including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related services up to the end of the reporting period are recognized as short term employee benefits, and measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits obligations in the Balance Sheet. The company is not liable to provide any long-term benefits to employees.

Pradhin Limited
Notes forming part of financial statement for the year ended 31st March 2024

(l) Income Tax

Tax expense for the period, comprising Current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with prevailing income tax law.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under provisions of the Income Tax Act. Deferred tax Assets shall be recognized for all deductible temporary differences to the extent that it is probable that the taxable profit will be available against which the temporary difference can be utilized. Deferred Tax liability shall be recognized for all taxable temporary differences. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(m) Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(n) Earning per share

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

For the purpose of calculating diluted earnings per share, the net profit for the **period / year** attributed to equity shareholders and the weighted average number of shares outstanding during the period / year is adjusted for the effects of all potentially dilutive equity shares

(o) SAGMent Reporting

Operating sAGMents are reported in a manner consistent with the internal reporting provided to the Core Management Committee which includes the Managing Director who is Chief Operating Decision Maker. The Core Management Committee examines performance from both a product as well as from geographical perspective and has identified only one operative reportable sAGMent from which significant risk and rewards are derive

(p) Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior years. Also tax charges related to exceptional items and certain one-time tax effects are considered exceptional. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS

Pradhin Limited
Statement of Changes in Equity for the year ended 31st
March 2024

A) Equity share capital

Particulars	Number	(₹ in lakhs)
Equity shares of Rs.10 each issued, subscribed and paid		
Balance as at 1st April 2022	36,48,800	364.88
Issue of Equity Share		
Balance as at the 31st March 2023	36,48,800	364.88
Issue of Equity Share		
Balance as at the 31st March 2024	36,48,800	364.88

B) Other equity

Particulars	Reserves and surplus				Items of Other Comprehensive Income				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Debt Instruments	Equity Instruments	Effective portion of Cash flow hedges	Revaluation Surplus	
Balance as at 1st April 2022	-	216.69	5.52	31.59	-	-	-	-	253.80
Profit for the year	-	9	-	(10.24)	-	-	-	-	(10.24)
Other Comprehensive	-	-	-	-	-	-	-	-	-
Income/Dividends	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2023	-	216.69	5.52	21.35	-	-	-	-	243.56
Profit for the year	-	-	-	54.33	-	-	-	-	54.33
Other Comprehensive	-	-	-	-	-	-	-	-	-
Income/Dividends	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2024	-	216.69	5.52	75.68	-	-	-	-	297.90

Nature and purpose of reserves

a) Securities premium reserve

The amount received in excess of face value of the equity shares is recognized in securities premium reserve

b) General Reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. Mandatory transfer to General Reserve is not required under the Companies Act, 2013.

c) Retained Earning

Retained earnings are the profits the company has earned till date, less any transfers to general reserve, dividend or other distributions paid to shareholders. As per our attached report of even date

For and on behalf of the Board of Directors
Pradhin Limited

For R. K. Chapawat & Co.
Chartered Accountants
Firm Registration No.101708W

Sd/-
Kamlesh Chapawat
Partner
Mem. No. 181441
Place: Mumbai
Date : 25th May 2024

Sd/-
Hariprit Nitin Thorve
Director
DIN : 10359981
Place: Mumbai
Date : 25th May 2024

Sd/-
Saily Thorve
Director
DIN : 10100615

Sd/-
Sunil Inani
Chief Financial officer

Pradhin Limited

Notes forming part of financial statement for the Year ended 31st March 2024

Note 3A : Property, plant and equipment

Tangible Assets

(₹ in lakhs)

Particulars	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Other Equipment	Total
Gross Block							
Balance as at 1 April 2022	2.44	6.90	0.44	7.60	5.77	3.49	26.64
Additions	-	-	-	-	-	-	-
Deductions made during the year	-	-	-	-	-	-	-
Balance as at 31 March 2023	2.44	6.90	0.44	7.60	5.77	3.49	26.64
Depreciation and Impairment							
Balance as at 1 April 2022	2.32	6.80	0.42	7.34	5.53	3.42	25.83
Depreciation charge	-	0.00	-	0.01	0.11	-	0.12
Adjustments / deductions	-	-	-	-	-	-	-
Balance as at 31 March 2023	2.32	6.80	0.42	7.35	5.64	3.42	25.95
Impairment charge for the year	0.12	0.09	0.02	0.25	0.01	0.07	0.57
Net Carrying amount as at 31st March 2023	0.00	0.00	-	0.00	0.12	0.00	0.12
Balance as at 1 April 2023	0.00	0.00	-	0.00	5.77	0.00	5.77
Deductions made during the year	-	-	-	-	-	-	-
Balance as at 31 March 2024	0.00	0.00	-	0.00	5.77	0.00	5.77
Accumulated depreciation as at 1st April 2023	-	-	-	-	5.64	-	5.64
Impairment charged in the previous year	-	-	-	-	0.01	-	0.01
Depreciation charge	-	-	-	-	0.04	-	0.04
Deductions	-	-	-	-	-	-	-
Balance as at 31 March 2024	-	-	-	-	5.69	-	5.69
Net Carrying amount as at 31st March 2024	0.00	0.00	-	0.00	0.08	0.00	0.08

I. The impairment charge for the year Rs. Nil (31st March, 2023: Rs. 0.57 lacs) includes impairment charge on certain assets that has been assessed as non-usable by the management and has been recorded at scrap value less cost to sell.

II. The Company has not revalued its property, plant and equipment.

III. The Company has not created any charge on its property, plant and equipment.

Pradhin Limited
Notes forming part of financial statement for the year ended 31st March 2024

(₹ in lakhs)

Note 4 : Other Financial Assets

Particulars	As at 31st March 2024		As at 31st March 2023	
	Non Current	Current	Non Current	Current
Unsecured Considered good				
Security Deposit	29.56	-	29.57	-
Unsecured Considered doubtful				
Balance with Statutory authority	-	3.98	-	2.34
Advance to Suppliers	-	99.81	-	0.93
Other receivables	-	-	-	2.65
	29.56	103.79	29.57	5.93

Note 5 : Tax expense

Particulars	As at 31st March 2024	As at 31st March 2023
Current Tax		
Current tax on profit for the year	9.81	-
Current Tax benefits	-	-

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred Tax assets/ (liabilities) on account of Property Plant & Equipment	0.07	0.09
Carry forward on taxable losses	0.00	4.11
MAT Credit Entitlement	17.19	13.41
	17.26	17.60

Movement in Deferred Tax Assets / (Liabilities)

Particulars	As at 31st March 2024	As at 31st March 2023
Opening balance as of April 1	17.60	17.64
Tax income / (expense) during the period recognised in Profit & loss	-0.34	-0.04
Tax expense relating to earlier year	-	-
Tax income / (expense) during the period recognised in OCI	-	-
	17.26	17.60

Note 6 : Inventories

(Valued at Cost or Net Realisable Value whichever is lower)

Particulars	As at 31st March 2024	As at 31st March 2023
Finished goods	420.67	-
Total Inventories	420.67	-

Note 7 : Trade receivables

Particulars	As at 31st March 2024		As at 31st March 2023	
	Non Current	Current	Non Current	Current
Billed				
Considered good – Secured	-	-	-	-
Considered good – Unsecured	-	84.53	-	644.26
Less: Allowance for expected credit loss	-	-0.85	-	(9.67)
Significant increase in Credit Risk	-	-	-	-
Credit impaired	35.82	-	35.82	-
Less: Allowance for credit impairment	-35.82	-	(35.82)	-
	-	83.68	-	634.60

Ageing for Trade Receivable - billed outstanding as at 31st March 2024 is as follows

Particulars	Outstanding for following periods from due date of payments					Total
	less than 6 month	6month - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	84.53	-	-	-	-	84.53
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-

(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	35.82	35.82
Total						120.35
Add: Trade Receivable - Unbilled						0.00
Less: Provision for expected credit loss						(0.85)
Less: Allowance for credit impairment						(35.82)
						83.68

Pradhin Limited
Notes forming part of financial statement for the year ended 31st March 2024

(₹ in lakhs)

Ageing for Trade Receivable - billed outstanding as at 31st March 2023 is as follows

Particulars	Outstanding for following periods from due date of payment					Total
	less than 6 month	6month - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	644.26	-	-	-	-	644.26
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	35.82	35.82
Total						680.08
Add: Trade Receivable - Unbilled						0.00
Less: Provision for expected credit loss						(9.67)
Less: Allowance for credit impairment						(35.82)
						634.60

Note 8 : Cash and cash equivalents

Particulars	As at 31st March 2024	As at 31st March 2023
Balances with banks		
- Current accounts	0.79	1.53
Cash on hand	1.39	1.79
Total cash and cash equivalents	2.18	3.32

Note 9 : Bank balances other than Cash and cash equivalents

Particular	As at 31st March 2024	As at 31st March 2023
Short term bank deposits	-	0.01
Total other bank balances	-	0.01

Note 10 : Loans

(Unsecured , Considered good)

Particular	As at 31st March 2024	As at 31st March 2023
Loan to others	114.01	-
Total	114.01	-

Notes forming part of financial statement for the year ended 31st March 2024

(₹ in lakhs)

Note 11 : Current tax assets (net)

Particular	As at 31st March 2024	As at 31st March 2023
Advance income tax and TDS	0.45	4.67
Total Income Tax Assets	0.45	4.67

Pradhin Limited
Notes forming part of financial statement for the year ended 31 March 2024

(₹ in lakhs)

Note 12 : Equity Share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised share capital		
50,00,000 (PY 50,00,000) equity shares of Rs.10/- each	500.00	500.00
Total authorised share capital	500.00	500.00
Issued, subscribed and paid-up equity share capital:		
36,48,800 (PY 36,48,800) equity shares of Rs. 10/- each, fully paid up	364.88	364.88
Less: Calls in arrears	0.19	0.19
Total issued, subscribed and paid-up equity share capital	364.69	364.69

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	No. of shares	As at 31 March 2024	No. of shares	As at 31 March 2023
At the beginning of the year	36,48,800	364.88	36,48,800	364.88
Increase / (Decrease) during the year	-	-	-	-
At the end of the year	36,48,800	364.88	36,48,800	364.88

b. Terms/rights attached to equity shares:

The Company has one class of equity shares having a par value of Re 10/- each. Each shareholder is eligible for one vote per share held. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Shares held by ultimate holding company and its subsidiaries : Nil**d. Aggregate number of equity shares issued as bonus, shares during the period of five years immediately preceding the reporting date -NIL****e. List of Shareholders holding more than 5% equity shares of the company at the beginning and at the end of the year**

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% held	No. of shares	% held
Nitin Vitthalrao Thorve	12,48,955.00	34.23%	-	-
Ajay Chaudhari	1,83,777.00	5.04%	7,39,778.00	20.27%
Ashish Jaswantbhai Desai	-	-	2,75,533.00	7.55%
Ashish Jaswantbhai Desai (HUF)	-	-	2,81,736.00	7.72%
Brijesh Jitendra Parekh	-	-	2,00,000.00	5.48%

e. Shareholding of Promoters

Name of the promoter	As at March, 2024		As at March, 2023		% Change during the year
	No. of Share	% of total shares	No of Shares	% of total shares	
Nitin Vitthalrao Thorve	12,48,955	34.23%	-	0.00	34.23%
Saroj Jayprakash Jalan	-	-	1,45,675	3.99%	-3.99%
Sachin Jayprakash Jalan	-	-	1,51,140	4.14%	-4.14%
Bobby Sonthalia	-	-	1,77,260	4.86%	-4.86%
Govind Prasad Huf	-	-	62,568	1.71%	-1.71%

Note 13 : Other equity

Particulars	As at 31st March 2024	As at 31st March 2023
Security premium Reserve		
Balance at the beginning of the year	216.69	216.69
Addition / (deletion) during the year	-	-
Balance at the end of the year	216.69	216.69
General Reserve		
Balance at the beginning of the year	5.52	5.52
Addition / (deletion) during the year	-	-
Balance at the end of the year	5.52	5.52
Retained earning		
Balance at the beginning of the year	21.35	31.59
Add: Profit / (loss) for the year	54.33	-10.24
Balance at the end of the year	75.68	21.35

Note 14 : Borrowings

Unsecured

Particulars	As at 31st March 2024		As at 31st March 2023	
	Non Current	Current	Non Current	Current
Loan from related parties (directors & ex directors)	-	1.15	4.36	-
Total	-	1.15	4.36	-

Note 15 : Trade payables

Particulars	As at 31st March 2024		As at 31st March 2023	
	Non Current	Current	Non Current	Current
- Total outstanding dues of Micro Enterprises and Small Enterprises	-	3.71	-	8.50
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	-	93.84	-	72.66
Total trade payables	-	97.55	-	81.16

The disclosure pursuant to the micro, small and medium enterprises development act, 2006, (msmed act) for dues to micro enterprise and small enterprises as at 31st March'24 and 31st March'23 is as under

Particulars	As at 31st March 2024	As at 31st March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year*;	3.71	8.50
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	0.60	2.18
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	4.39	3.79

Note: This information, as required to be disclosed under the MSMED Act, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Trade payables are normally non-interest bearing and settled as per the payment terms stated in the contract.

Pradhin Limited
Notes forming part of financial statement for the year ended 31 March 2024
(₹ in lakhs)

Trade Payables ageing scheduleAs at
March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Micro and Small Enterprises	0.60	0.60	-	2.51	3.71
(ii) Others	93.84	-	-	-	93.84
(iii) Disputed Dues - Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	94.44	0.60	-	2.51	97.55

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Micro and Small Enterprises	5.95	0.04	2.51	-	8.50
(ii) Others	8.23	1.13	0.32	62.98	72.66
(iii) Disputed Dues - Micro and Small Enterprises	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	14.19	1.16	2.83	62.98	81.16

Note 16 : Provisions

Particulars	As at 31st March 2024	As at 31st March 2023
Provision For EPF Payable	-	0.01
Provision for Employee Benefit	-	1.66
Total	-	1.66

Note 17 : Other current liabilities

Particulars	As at 31st March 2024	As at 31st March 2023
Duties & Taxes payable	0.57	0.39
Total	0.57	0.39

Note 18 : Current tax liability (Net)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Non Current	Current	Non Current	Current
Provision for tax	-	9.82	-	-
Total	-	9.82	-	-

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Sale of Traded goods (net)		
Sales	460.62	1,706.41
Total Revenue from Operations	460.62	1,706.41

(a) Disagreement revenues from contracts with customers

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Domestic	460.62	1,706.41
Exports	-	-
Total	460.62	1,706.41

Note 20 : Other Income

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Reversal of ECL	9.67	
Interest earned	1.53	12.47
Sundry balance written back	68.59	-
Reversal of provision fo doubtful debt	3.49	-
Total other income	83.28	12.47

Note 21 : Purchase of Stock-in-Trade

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Purchase of Stock-in-Trade	877.64	1,683.69
	877.64	1,683.69

Note 22 : Changes in Inventories of finished goods and Work in progress

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Opening Inventory		
Finished Goods	-	11.88
Work-In-Progress	-	-
	-	11.88
Closing Inventory		
Finished Goods	420.67	-
Work-In-Progress	-	-
	420.67	-
Total Changes in Inventories of finished goods and Work in Progress	(420.67)	11.88

Note 23 : Employee benefits expense

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Salaries and wages	5.24	4.28
Total employee benefits expense	5.24	4.28

Note 24 : Finance costs

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Interest Expenses		
Interest to Msme parties	0.60	2.18
Interest on TDS	-	0.05
Bank Charges	0.00	-
Total finance costs	0.60	2.23

Pradhin Limited
Notes forming part of financial statement for the year ended 31 March 2024

(₹ in lakhs)

Note 25 : Other expenses		
Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Rent	2.20	1.70
Legal and Professional fees	1.88	4.25
Auditor's Remuneration	2.75	1.50
Freight Outward	1.31	8.66
Bank Charges	-	0.02
Annual Custody fees	-	0.09
Advertisement expenses	0.35	0.44
Annual listing fees	3.25	3.00
Electricity charges	-	0.12
EPF Admin Charges	0.05	0.06
GST Expense	0.36	0.44
Impairment Loss recognized under expected credit loss model	-	0.73
Provision for expected credit loss	0.85	
Penalty	-	5.00
Repair & Maintenance	-	0.06
ROC Expense	-	0.25
Impairment loss on non current assets	-	0.57
Share Transfer expense	0.60	0.60
Director sitting fees	0.02	0.65
Miscellaneous Expenses	1.04	0.05
Total other expenses	14.66	28.19

Auditors' remuneration:

i) Statutory audit fees	2.75	1.50
	2.75	1.50

Note 26 : Earnings per share (EPS)

In terms of Ind AS-33 on "Earning Per Share" the calculation of EPS is given below:-

Basic and diluted EPS

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Net Profit after Tax as per Statement of Profit & Loss attributable to Equity Shareholders (Rs. in lakhs)	54.33	(10.24)
Weighted average number of equity shares for EPS computation (Nos.)	36,48,800	36,48,800
EPS - Basic and Diluted EPS (Rs.)	1.49	(0.28)
Nominal Value of Equity Shares (Rs)	10.00	10.00

Note 27: sAGMent Information

The Company's Chief Operating Decision Maker (CODM) Board of Directors assesses the financial performance and position of the company and make strategic decisions. The company is currently engaged in trading activities within territories of India. The company's business falls within a single business sAGMent. As the Company operates in single operating sAGMent, the reporting disclosures envisaged in Ind AS 108 on operating sAGMents, are not applicable to the Company. The sAGMent revenue is measured in the same way as in the Statement of Profit & Loss.

The Company has revenue of Rs 460.62 lacs (1706.40 lacs). In the previous year the total revenue was with one major customer contributing 100% of total revenue of the company whereas in the current year sales to one major party contributes to 81.65% of the total revenue

Note 28 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

Name of the related Party	Relationship
Ashishbhai Desai	Whole Time Director (resigned w.e.f 6th November 2023)
Ajay Chaudhari	Managing Director (resigned w.e.f 29th January 2024)
Samir Mehta	Independent Director (resigned w.e.f 6th November 2023)
Mita Desai	Non Executive Women Director (resigned w.e.f 6th November 2023)
Dhaval Barot	Independent Director (resigned w.e.f 6th November 2023)
Nilav Mehta	Non Executive Director (resigned w.e.f 6th November 2023)
Sunil Inani	Chief Financial Officer
Tanvi Patel	Company Secretary (resigned w.e.f 2nd April 2024)
Nilesh Bide	Additional Director (appointed w.e.f 6th November 2023)
Abhijeet Ramesh Dhanegaonkar	Additional Director (appointed w.e.f 6th November 2023)
Saily Avinash Thorve	Additional Director (appointed w.e.f 6th November 2023)
Hariprit Nitin Thorve	Additional Director (appointed w.e.f 6th November 2023)
Tejesh Vilas Patil	Additional Director (appointed w.e.f 6th November 2023)
Nitin Thorve	Relative of Director

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances

I. Key management personnel and their relatives

Particulars	Transaction Nature of	31st March 2024	31st March 2023
		Year ended	Year ended
	Salary	3.50	3.00
Tanvi Patel	Salary	1.44	1.28
Samir Mehta	Sitting fees	-	0.17
Mita Desai	Sitting fees	-	0.14
Dhaval Barot	Sitting fees	-	0.17
Nilav Mehta	Sitting fees	-	0.11
Nitin Thorve	Rent	0.50	-
Nitin Thorve	Deposit given	0.30	-
Hariprit Nitin Thorve	Loan taken	0.25	-

III. Balance Outstanding of Related Parties:

Particulars	Nature of Transaction	As at	As at
		31 March 2024	31 March 2023
Ashish Desai	Loan Payable	0.90	0.90
Ajaybhai Chaudari	Loan Payable	-	3.46
Sunil Inani	Salary Payable	-	1.00
Samir Mehta	Sitting fees payable	-	0.22
Mita Desai	Sitting fees payable	-	0.25
Dhaval Barot	Sitting fees payable	-	0.30
Nilav Mehta	Sitting fees payable	-	0.20
Nitin Thorve	Rent payable	0.50	-
Nitin Thorve	Deposit receivable	0.30	-
Hariprit Nitin Thorve	Loan Payable	0.25	-

Pradhin Limited
Notes forming part of financial statement for the year ended 31 March 2024

(₹ in lakhs)

Note 29 : Contingent liabilities and Commitments		
Particular	As at 31 March 2024	As at 31 March 2023
I Capital Commitment	Nil	Nil
II Claims against the company not acknowledge as debt		
(a) Disputed Tax Liabilities in respect of demand raised by Income Tax Authorities for the AY 18-19 for disallowances/additions made by the Deptt. pending litigation before Appellate Authorities	5.39	5.39

Note

The Company is contesting this demand and the management, believe that its position will likely to be upheld in the appellate process and accordingly no provision has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations. Based on favourable decisions in similar cases, the Company does not expect any liability against these matters in accordance with principles of Ind AS -12 'Income taxes' read with Ind AS -37 'Provisions, Contingent Liabilities and Contingent Assets' and hence no provision has been considered in the books of accounts

Note 30: Pending Litigations

The Company is involved in a number of legal proceedings for the recovery of trade receivables and advances with the aggregate amount of Rs.35.82 Lacs which are yet to be concluded upon. The Directors evaluated the pending cases, and considered the legal intricacies and time involved in the settlement of these cases. Updated External legal opinions in respect of the merits of the case had been called for and studied. The company had already made a provision for the outstanding amount of these doubtful debts and advances

Pradhin Limited
Notes forming part of financial statement for the year ended 31
March 2024

Note :31 Financial Instruments**Capital Management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to stakeholders through efficient allocation of capital. At the same time keep associated costs under control. The Company is not subject to any

externally imposed capital requirements. The management of the Company reviews the capital structure of the Company on a regular basis. The Company's capital management strategy is to ensure that it maintains a strong financial position and a healthy credit rating. The Company's capital management strategy is to ensure that it maintains a strong financial position and a healthy credit rating.

Accounting Classification & Fair Value**Hierarchy Financial Assets & Liabilities**

The Company's principal financial assets include Trade receivables, Cash & Cash Equivalents, loans and other Receivables. The Company's principal financial liabilities comprise of Provisions, Trade & Other Payables.

Fair Value hierarchy

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The Categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data

The following table Summarizes carrying amount of Financial Instruments by their category

Particulars	As at 31st March 2024			As at 31st March 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets:						
Investments	-	-	83.6	-	-	634.60
Trade receivables	-	-	8	-	-	3.32
Cash and cash equivalents	-	-	2.1	-	-	0.01
Other bank balances	-	-	8	-	-	-
Loans	-	-	-	-	-	29.5
Security Deposit	-	-	114.0	-	-	7
Other financial assets	-	-	1	-	-	5.93
			29.5			
			6			
			103.7			
			9			
Total Financial Assets	-	-	333.23	-	-	673.42
Financial Liabilities:						
Borrowings	-	-	1.15	-	-	4.36
Trade payables	-	-	97.5	-	-	81.1
Other financial liabilities	-	-	5	-	-	6
Total Financial Liabilities	-	-	98.70	-	-	85.52

Notes:

Carrying amount of current financial assets and liabilities at the end of each year presented approximate the fair value because of their short term nature. Difference between carrying amounts and fair value of other non-current financial assets and financial liabilities subsequently measured at amortized cost is not significant on each of the year presented

Inherent to the nature of the Company's business are a variety of financial risks, namely liquidity risk, market risk and credit risk. Developing policies and processes to assess, monitor, manage and address these risks is the responsibility of the Company's Management. The Management ensures appropriate risk governance framework for the company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives and also ensures there exists an appropriate level of safeguards against the key risks. Risk management policies and systems are reviewed regularly to reflect changes like major changes in organization structure, events denoting material change in the risk environment, etc

i. Management of Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company follows a conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure and dividend policies.

The Company is cognizant of reputational risks that are associated with the liquidity risk and the risk is factored into the overall business strategy. The Company's management regularly monitors the rolling forecasts to ensure it has sufficient cash on an ongoing basis to meet operational needs. Any short term surplus cash generated over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and debt investments with appropriate maturities to optimize the cash returns on investments while ensuring sufficient liquidity to meet its liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date

As at 31.03.2024	Less than 1year/ on demand	1 - 2 year	2 - 5 year	More than 5 years	Total
Borrowings	1.15	-	-	-	1.15
Trade Payables	97.55	-	-	-	97.55

As at 31.03.2023	Less than 1year/ on demand	1 - 2 year	2 - 5 year	More than 5 years	Total
Borrowings	4.36	-	-	-	4.36
Trade Payables	81.16	-	-	-	81.16

Management of Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk.

Financial instruments affected by market risks include loans and borrowings, deposits, investments, and foreign currency receivables and payables. The Company's size and operations result in it being exposed to the following market risk that arise from its use of financial instruments. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2024, and March 31, 2023

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

As all the transactions of the company are held in Indian Currency, there is no exposure of Foreign Currency Risk to the company

Interest Rate Risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in the market interest rates as it has neither borrowed funds nor made investments in interest bearing instruments

Commodity Price Risk

The company is exposed to the risk of changes in commodity prices in relation to its operating activities. The Company's exposure to, and management of, this risk is explained below

Pradhin Limited
Notes forming part of financial statement for the year ended 31 March 2024

Potential Impact of Risk	Management Policy	Sensitivity to Risk
The Company is exposed to the risk of changes in prices in relation to its Trading Activities	The Company has laid policies and guidelines which it adheres to in order to minimize price risk arising from trading activities	A 1% increase in purchase prices would have led to approximately an reduction of Rs.8.78 Lacs in the profit of the company. A 1% decrease in prices would have led to an equal but opposite effect.

Note 32 : Financial risk management objectives and policies

Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or other counter-party fails to meet its contractual obligations

Trade Receivable

The carrying amount of trade receivable represents the maximum credit exposure. The maximum exposure to credit risk was Rs.83.68 Lacs as at 31st March 2024 and Rs.634.60 Lacs as at 31st March 2023

Trade receivables are derived from revenue earned from customers. Credit risk for Trade receivable is managed by the Company through established policy and procedures and control relating to customer credit risk management. The Company has a review mechanism of overdue customer receivables to ensure proper attention and focus for realization

The Company has a high concentration of credit risk to a single major customer. The company has exposure in trade receivable of Rs 376.09 lacs and Rs. 634.60 Lacs as at 31st March 2024 and 31st March 2023 respectively from the single largest customer. The Company uses expected credit loss allowance for credit losses of trade receivables. The expected credit loss allowance is based on the ageing of the receivables that are due.

Based on assessment of the period end trade receivable balance and forward looking information, there was an impairment loss of Rs. 0.85 Lacs as at 31st March 2024 and Rs. 9.67 Lacs on 31st March 2023

Other Financial Assets

The Company maintains exposure in cash and cash equivalents and term deposits with banks and investments in debt instruments. The Company has set counter-party limits based on multiple factors including financial position, credit rating, etc. The Company's maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 is the carrying value of each class of financial assets.

Capital Management

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimize return to the shareholders.

The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital, 2) Share Premium and 3) Other Reserves comprising of General Reserve and Retained Earnings

The Company's capital structure is based on the Management's assessment of the balances of key elements to ensure strategic decisions and day to day activities. The capital structure of the Company is managed with a view of the overall macro-economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company.

The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company

In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary

Lactose India Limited

Notes forming part of financial statement for the year ended 31 March 2023

Note 33 : Ratios

Ratio	Basis of Ratio	Numerator Current Period	Denominator Current Period	Ratio Current Period	Numerator Previous Period	Denominator Previous Period	Ratio Previous Period	Variance %	Reason for Variance
Current Ratio	Current Assets/Current Liabilities	724.77	109.10	6.64	648.52	83.21	7.79	(14.76)	
Debt-Equity Ratio	Total Debt/Shareholder's Equity	1.15	662.58	0.00	4.36	608.25	0.01	(75.79)	Movement in ratio is due to repayment done during the year
Interest Coverage Ratio	EBIT/Interest Expense	66.98	0.60	110.90	-9.28	2.23	-4.17	(2,760.04)	Movement in ratio is due to increase in profits as compared with previous year
Debt Service Coverage Ratio	Earnings available for debt service ¹ / Debt Service ²			NA			NA	-	
Return on Equity Ratio	Net profit after taxes / Average Shareholder's Equity	54.34	635.41	0.09	-10.24	613.36	-0.02	(612.35)	Movement in ratio is due to increase in profit as compared with previous year
Inventory turnover Ratio	Cost of Goods Sold ³ / Average Inventories	456.98	210.33	2.17	1,695.57	5.94	285.43	(99.24)	The ratio has decreased as compared with previous year because of higher inventory at the close of the year
Trade Receivables turnover Ratio	Net Credit Sales / Average Trade Receivables	460.62	359.14	1.28	1,706.41	610.89	2.79	(54.08)	Decrease in ratio is due to delay in collection from debtor as compared with previous year
Trade Payables turnover Ratio	Net Credit Purchases / Average Trade Payables	877.64	89.36	9.82	1,683.69	81.16	20.75	(52.66)	Decrease in ratio is due to delay in payment to creditor as compared with previous year
Net capital turnover Ratio	Net Sales / Working Capital ⁴	460.62	615.67	0.75	1,706.41	565.31	3.02	(75.21)	Movement in ratio is due to decrease in turnover as compared with previous year
Net profit Ratio	Net Profit/Net Sales	66.38	460.62	0.14	-11.51	1,706.41	-0.01	(2,236.31)	Increase in ratio is due to Profit incurred against writing back of the liabilities

¹ Earnings available for debt service = Net profit before tax + finance costs + depreciation & amortisation expense + loss on sale of fixed assets

² Debt Service = Interest & lease payments + principal payments

³ Cost of Goods Sold = Cost of materials consumed + Purchases of stock-in-trade + Changes In inventories of finished goods (incl. stock-in-trade) and work-in-progress

⁴ Working Capital = Total Current Assets - Total Current Liabilities

⁵ Capital Employed = Tangible Net Worth⁶ + Total debt + Deferred Tax liability

⁶ Tangible Net Worth = Total assets - Total liabilities - Intangible assets

⁷ Average Investment = Total Equity

Pradhin Limited
Notes forming part of financial statement for the year ended 31 March 2024

Note 34: Expenditure in Foreign Currency

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
	Nil	Nil
Total	Nil	Nil

Note 35: Earning in Foreign Exchange

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
	Nil	Nil
Total	Nil	Nil

Note 36 : Disclosure of Open offer for Acquisition of shares

On 13th April 2023 the Acquirer Mr. Nitin Vitthalrao Thorave had entered into a Share Purchase Agreement ("SPA") with the outgoing Promoter i.e. Bobby Sonathalia Jalan and Govind Prasad HUF present Promoters and members of Promoter Group for acquisition of 2,08,511 shares, constituting 5.71% of the voting Share capital of the company. In pursuant of which, Open Offer has been made by the Acquirer Mr. Nitin Vitthalrao Thorave to the equity shareholders of the company to acquire from them up to 9,48,688 equity shares of face value of Rs 10/-each representing 26% of the total equity and voting share capital of the company. In this connection, Post Offer Public Announcement to the Public Shareholders of the Company had been filed with the Stock Exchange on September 6, 2023. Now as at 31st March 2024, the Acquirer Mr Nitin Vitthalrao Thorave has acquired in total 1248955 shares constituting 34.23% and post completion of open offer in the year ,Mr Nitin Thorave has acquired control over the affairs of the Company

Note 37 : Additional Regulatory Information Required By Schedule iii To The Companies Act, 2013

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property
- The Company do not have any transactions with struck off companies
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
- The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - 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 to or on behalf of the Ultimate Beneficiaries
- The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - 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.
- The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.

Note 38: Resignation of Company secretary

After the close of the Financial year on 2nd April, 2024, Tanvi Patel the Company secretary of the company has resigned. Now as per the SEBI LODR Regulation, the company must appoint the new company secretary within a period of 3 month from the date of resignation. Now as on the Balancesheet date, the company is still in the process of appointing new company secretary, the financials for the Financial year 2023-2024 is being signed without the company secretary signature. The Board of Directors will appoint Company Secretary within required time period as per LODR and Companies Act, 2013

Note 39 : Prior year comparatives


Previous year's figure's have been re-grouped, re-arranged & re-classified, wherever considered necessary, to confirm the current period figures.

As per our attached report of even date

	For and on behalf of the Board of director		
	Pradhin Limited		
For R. K. Chapawat & Co. Chartered Accountants Firm Registration No.101708W			
Sd/- Kamlesh Chapawat Partner Mem. No. 181441	Sd/- Hariprit Nitin Thorve Director DIN : 10359981	Sd/- Saily Thorve Director DIN : 10100615	Sd/- Sunil Inani Chief Financial

Place: Mumbai
Date : 25th May 2024

Place: Mumbai
Date : 25th May 2024

Pradhin Limited CIN: L15100TN1982PLC009418 Regd. Off. : 61, Sembudoss Street, Chennai, Tamil Nadu, Pin 600001 Corporate office : T1 304 Abhushan Complex Mahadev Nagar Society, Stadium Road, Navrangpura, Ahmedabad, Ahmadabad City, Gujarat, India, 380009 Website : www.pradhin.com, email: info.pradhin@gmail.com Statement of UnAudited Financial Results for the Quarter Ended 30th June 2024 2024 (Rs. In Lakhs except per share data)				
Particulars	Quarter Ended			Year Ended
	30th June 2024	31st March 2024	30th June 2023	31st March 2024
	UnAudited	Audited	UnAudited	Audited
1 Revenue from operations				
Revenue from operations	-	170.02	42.24	460.62
Other Income	51.47	75.98	-	83.28
Total income	51.48	246.00	42.24	543.90
2 Expenses				
(a) Cost of materials consumed	-	-	-	-
(b) Purchase of Stock in Trade	-	589.51	41.94	877.64
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	-	(420.67)	-	-420.67
(d) Employees benefits expenses	-	0.30	1.98	5.24
(e) Finance Costs	-	0.60	-	0.60
(f) Depreciation and amortization expenses	-	-	0.02	0.04
(g) Other expenses	4.26	4.50	5.26	14.66
Total Expenses	4.26	174.24	49.20	477.52
3 Profit/(Loss) before tax	47.21	71.75	(6.96)	66.38
4 Tax Expense:				
Current Tax (net)	12.25	-	-	9.81
Deferred Tax (net)	(0.03)	(0.56)	-	0.34
Tax of Earlier Years	-	-	-	1.89
Total tax expenses	12.22	(0.56)	-	12.04
5 Net Profit/(loss) after tax	34.99	72.31	(6.96)	54.34
6 Other Comprehensive Income/(loss)				
A. (i) Items that will not be reclassified subsequently to profit or loss	-	-	-	-
(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss	-	-	-	-
B. (i) Items that will be reclassified subsequently to profit or loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified subsequently to profit or loss	-	-	-	-
7 Total Other Comprehensive Income/(Loss) (Net of Tax)	34.99	72.31	(6.96)	54.34
8 Paid-up equity share capital (Face Value of Rs. 10 each)	364.69	364.69	364.69	364.69
Earnings per share (of Rs. 10/- each)				
9 (not annualised for the quarters)				
(a) Basic (in Rs.)	0.96	1.98	(0.19)	1.49
(b) Diluted (in Rs.)	0.96	1.98	(0.19)	1.49
Notes:				
1	The above results of Pradhin Limited ("the Company") for the quarter ended 30th June 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 13th August, 2024.			
2	The above statement of unaudited financial results for the quarter ended 30th June 2024 ("statement") is prepared in accordance with Indian Accounting Standards prescribed under 133 of the Companies Act 2013 read with relevant rules thereunder and in terms of the SEBI (Listing Obligations & Disclosure Requirements), 2015 as amended from time to time			
3	The Company has only one operating segment			
4	The figures for the quarter ended 31st March, 2024 are the balancing figures between audited figures in respect of the full previous financial year and the unaudited published year-to-date figures up to the third quarter ended 31st December, 2023. The year-to-date figures up to the third quarter ended 31st December, 2023 were only subject to Limited Review and not audited.			
	Place : Ahmedabad Date : 13th August 2024	 For Pradhin Limited Jai Maheshkumar Sapariya Director, Ahmedabad Din: 10683245		



R. K. CHAPAWAT & CO. **CHARTERED ACCOUNTANTS**

Office: 122, Shripal Shopping Center, Near Petrol Pump, Agashi Road, Virar (West), Dist- Palghar : 401303.
Contact : 9766095540 / 9769132203, **E-mail :** ravindra_chapawat@rediffmail.com / info.chapawat@gmail.com

Limited Review Report on unaudited financial results of Pradhin Limited for the quarter ended 30 June 2024 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Pradhin Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Pradhin Limited (hereinafter referred to as "the Company") for the quarter ended 30 June 2024 ("the Statement") being submitted by the Company pursuant to the requirement of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion



R.K. CHAPAWAT & CO.
Chartered Accountants

4. Attention is drawn to the fact that the figures for the three months ended 31 March 2024 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as Paragraph 3, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed or that it contains any material misstatement.

For R. K. Chapawat & Co.
Chartered Accountants
Firm Registration no. 101708W

Kch Chapawat

Kamlesh Chapawat
Partner
Membership No.: 181441
Udin No.: 24181441BKGELP4472
Place: Virar
Date: 13th August 2024



ACCOUNTING RATIOS

The following tables present certain accounting and other ratios compared on the basis of the Audited Financial Information. For details, see “Financial Statements” on page 82

Accounting Ratios:

Particulars	Based on Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Basic earnings per share (₹) (for continued operations)	1.49	(0.28)	0.92
Diluted earnings per share (₹) (for continued operations)	1.49	(0.28)	0.92
Return on Net Worth (%)	8.230%	(1.683%)	5.456%
Net Asset Value per Equity Share (₹)	1.82	1.67	1.69
EBITDA (₹ in lakhs)	67.00	(9.16)	41.23

The formula used in the computation of the above ratios is as follows:

Basic earnings per share	Net profit /(Loss) after Tax as per statement of profit and loss at to Equity Shareholders (after adjusting non controlling interest) after exceptional item ,as applicable/ weighted Average number of Equity Shares.
Diluted earnings per share	Net Profit/(Loss) after Tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) after exceptional item, as applicable/Weighted Average number of Equity Shares (including convertible securities).
Return on net worth (in %).	Profit/(Profit/(Loss) for the Year as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)/Net worth at the end of the year on basis.
Net Worth as per 2(1)(hh) SEBI (ICDR) Regulations, 2018:	Net worth means the aggregate value of the paid up share capital and all reserves created out of the profits and 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 include reserves created out of revaluation of assets, write -back of depreciation, and amalgamation.
Net asset value per Equity Share	Net Worth on consolidated basis divided by the number of Equity Shares outstanding for the year.
EBITDA	Profit/(Loss) for the year before finance costs, tax, depreciation, amortization, and exceptional items as presented in the Consolidated Statement of Profit and Loss

Calculation of Return of Net Worth

(In ₹ lakhs, unless otherwise specified)

Particulars	Based on Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Net Profit after Tax (before OCI) (A)	54.33	(10.24)	33.75
Net Worth (B)*	662.59	608.25	618.48
Return of Net Worth (A/B) (%)	8.230%	(1.683%)	5.456%

* Net Worth as per 2(1)(hh) of SEBI (ICDR) Regulations, 2018.

Calculation of Net asset value per Equity Share

(In ₹/In ₹ lakhs, unless otherwise specified)

Particulars	Based on Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Net Worth (A)(₹ in lakhs)	662.59	608.25	618.48
No. of Shares(B)(in numbers)	3,64,69,000	3,64,69,000	3,64,88,000
Net Assets Value[(Ax100,000)/B]	1.82	1.67	1.69

Calculation of EBITDA

(In ₹lakhs, unless otherwise specified)

Particulars	Based on Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022
Net Profit/(Loss)after Tax	54.33	(10.24)	33.75
Add: Taxes	12.03	(1.27)	5.86
Add: Interest	0.60	2.23	1.21
Add: Depreciation	0.04	0.12	0.41
Add: Exceptional Items	-	-	-
EBITDA	67.00	(9.16)	41.23

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

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 year ended March 31, 2024 all prepared in accordance with the Companies Act and Ind AS, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled “Financial Statements” on page 82 of this Draft Letter of Offer. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements 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 23 and 18 respectively, of this Draft Letter of Offer.

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 financial year. References to the “Company”, “we”, “us” and “our” in this chapter refer to PRADHIN LIMITED, as applicable in the relevant period, unless otherwise stated. Unless otherwise indicated or the context requires, the financial information for Financial Year 2024 included in this Draft Letter of Offer. For further information, see “Financial Statements” beginning on page 82.

OVERVIEW OF OUR BUSINESS

Pradhin Limited offers a diverse range of services across the steel and agriculture sectors and Dairy products

Milk production & consumption in India: India has come a long way since the milk deficit days to becoming the world's largest producer as well as consumer of milk. Globally, the EU, India and the United States are currently the largest milk and dairy product producers and consumers. The Indian dairy industry owing to favourable demographics will drive multiyear growth in the industry. The shift from “unorganised” to “organised” market and consumer upgradation from ‘pouch milk /powders’ to ‘value-added dairy products’ will provide strong growth opportunities. In India, the unorganised segment comprising of ‘local vendors’ and ‘self-consumption’ commands a lion's share of 80% by value. The organised segment is divided between ‘cooperatives’ and ‘private dairy companies’. The share of organised segment has gradually increasing. However, with rising disposable incomes and burgeoning proportion of working women, there will be greater consumption of value added dairy products.

Steel is one of the world’s most essential materials. It is fundamental to every aspect of our lives, including construction, transportation, machinery, appliances, and packaging. The steel industry plays a vital role in the global economy and significantly impacts employment, trade, infrastructure development, and the growth of other industries. However, it also faces multiple challenges, including environmental concerns, fluctuating demands and raw material prices, and intense competition.

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for ~55% of India’s population. India has the world's largest cattle herd (buffaloes), the largest area planted for wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. The agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country’s population. Thus, farmers become an integral part of the sector to provide us with a means of sustenance.

SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATION

Our business, financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘Risk Factors’ on page 23 The following are certain factors that had, and we expect will continue to have, a significant effect on our business, financial condition and results of operations:

- The price of crops is low,
- The price of inputs have a large tolerance;
- Low Rainfall;
- Increasing use of external inputs;
- Incoherent government policies.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Audited Financial Statements. For details of our significant accounting policies, please refer chapter titled “Financial Statements” on page 82 of this Draft Letter of Offer

CHANGE IN ACCOUNTING POLICIES

There has been no change in accounting policies during the Financial Year 2024

RESERVATIONS, QUALIFICATION AND ADVERSE REMARK /OTHER OBSERVATION IN CARO

The following is the summary of qualifications/reservations/emphasis of matters/adverse remarks/other observations in CARO (as applicable) in the Audited Financial Statements for the Financial Year 2023-2024

Period	Type of Financials	Qualifications/ Reservations/ Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO
Financial Year	Standalone	<p><u>Qualifications/Reservations/Adverse Remarks:</u></p> <p>NIL</p> <p><u>Matter of Emphasis:</u></p> <p>NIL</p> <p>Other Observations in CARO:</p> <p>vii. In respect of statutory dues:</p> <p>(b) No other statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes.</p>

(Amount in Lakhs)

Particulars	CURRENT PERIOD F.Y 2023-2024	PREVIOUS YEAR F.Y 2022-2023	PREVIOUS YEAR F.Y 2021- 2022	PREVIOUS YEAR F.Y 2020-2021
INCOME				
I Revenue from Operation	460.62	1706.41	1929.02	2396.36
II Other income	83.28	12.47	102.59	5.00
III. Total Revenue(I+II)	543.90	1718.88	2031.62	2401.36
IV EXPENSES				
Material Purchase	877.64	1683.69	1923.57	2382.34
Increase /Decrease in Stock in Trade	(420.67)	11.48	(11.88)	-

Employees Benefit Expenses	5.24	4.28	3.43	4.38
Finance Costs	0.60	2.23	1.21	0.51
Other expenses	14.66	28.19	75.26	35.33
Depreciation	0.04	0.12	0.41	0.04
Total Expenses	477.52	1730.39	1992.01	2422.59
V. PROFIT before exceptional and extraordinary items and tax (III-IV)	66.38	(11.51)	39.61	(21.23)
VI. Profit after extraordinary items and tax(V)	54.33	(10.24)	33.75	(22.70)
VII .Profit before tax	66.38	(11.51)	39.61	(21.23)
VIII Tax Expenses				
1)Current Tax	9.81	-	8.71	1.36
2) Deferred Tax	0.34	0.04	(2.86)	0.11
Less Adjustment of earlier year	1.89	(1.32)	-	-
IX. Profit (loss) for the period from continuing operation	54.33	(10.24)	33.75	(22.70)
X. Profit (loss)for the Discontinuing operations(after tax)	-	-	-	-

XI. Basic and diluted EPS	1.49	(0.28)	0.92	(0.62)
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Results of our Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated

Financial Year 2024 compared to Financial Year 2023

Financial Year 2023 compared to Financial Year 2022

Total Revenue

Our total revenue for the Financial Year 2024 was Rs.543.90/-Lakhs as compared to ₹1718.88/- Lakhs for the Financial Year 2023.

Our total revenue for the Financial Year 2022 was Rs. 2031.62/-Lakhs as compared to Rs.1718.88/-Lakhs for the financial year and quarter ended 2023

Revenue from Operations

Our revenue from operations for the Financial Year 2024 was Rs.460.62/- Lakhs as compared to Rs.1706.41/- Lakhs for the Financial Year 2023.

Our total revenue from operation the Financial Year 2022 was Rs. 1929.02/- Lakhs as compared to Rs. 1706.41/- Lakhs for the financial year and quarter ended 2023

Other income

Other income for the Financial Year 2024 was Rs.83.28/- Lakhs as compared to Rs.12.47/- Lakhs for the Financial Year 2023,

Other income for the Financial Year 2022 was Rs. 102.59/- Lakhs as compared to Rs. 12.47/- Lakhs for the financial year and quarter ended 2023.

Expenses

Our total expenditure for the Financial Year 2024 was Rs.477.52/-Lakhs as compared to Rs.1730.39/-Lakhs for the Financial Year 2023.

Our total expenditure for Financial Year 2022 was Rs 1992.01/- Lakhs as compared to Rs. 1730.39/- Lakhs for the Financial year and quarter ended 2023

Material Purchase

The Material Purchase for the Financial Year 2024 was Rs.877.64/- Lakhs as compared to Rs.1683.69/- Lakhs for the Financial Year 2023.

The Material Purchase for the Financial Year 2022 was Rs. 1923.57/-Lakhs as compared to Rs.1683.69/-Lakhs for the Financial year and quarter ended 2023.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Changes in inventories of finished goods, work-in-progress and stock-in-trade for the Financial Year 2024 was Rs. (420.67)/- Lakhs

Changes in inventories of finished goods, work-in-progress and stock-in-trade for the Financial Year 2023 was Rs 11.48/- Lakhs

Changes in inventories of finished goods, work-in-progress and stock-in-trade Financial Year 2022 was Rs.(11.88)/- Lakhs

Employee benefit expenses

Employee benefit expense for the Financial Year 2024 was Rs.5.24/- Lakhs as compared to Rs.4.28/- Lakhs for the Financial Year 2023. This decrease was primarily increase in Employee benefit expenses.

Employee benefit expenses for the Financial Year 2022 was Rs.3.43/-Lakhs as compared to Rs.4.28/- Lakhs for the Financial year and quarter ended 2023.

Finance cost

Finance cost for the Financial Year 2024 was Rs.0.60/- Lakhs as compared to Rs 2.23/-Lakhsfor the Financial Year 2023.

Finance Cost for the Financial Year 2022 was Rs. 1.21/- Lakhs as compared to Rs. 2.23/- Lakhs for the Financial year and quarter ended 2023

Depreciation

Depreciation for the Financial Year 2024 was Rs. 0.04/- Lakhs as compared to Rs.0.12/-Lakhs for the Financial Year 2023

Depreciation charged for the Financial Year 2022 was Rs. 0.41/- Lakhs as compared to Rs. 0.12/ Lakhs -for the Financial year and quarter ended 2023

Other expenses

Other expenses for the Financial Year 2024 were ₹ 14.66/- Lakhs as compared to ₹ 28.19/- Lakhs for the Financial Year 2023.

Other expenses for the quarter Financial Year 2022 wasRs. 75.26/-Lakhs as compared to Rs. 28.19/-Lakhs for the Financial year and quarter ended 2023

Profit/(loss) before exceptional and extraordinary items and tax share.

Profit/(loss) beforeexceptional and extraordinary items and tax share .for the Financial Year 2024 was Rs. 66.38/- Lakhs as compared to Rs.(11.51)/-Lakhsfor the Financial Year 2023.

Profit/(loss) beforeexceptional and extraordinary items and tax share for the Financial Year 2022 was Rs 39.61/- Lakhs as compared to Rs.(11.51)/- Lakhs for the Financial year and quarter ended 2023

Profit after extraordinary items and tax

Profit after extraordinary items and tax for the Financial Year 2024 was Rs 54.33/- Lakhs as compared to Rs.(10.24)/-Lakhs for the Financial Year 2023.

Profit after extraordinary items and taxfor the Financial Year 2022 was Rs 33.75/- Lakhs as compared to Rs.(10.24)/- Lakhs for the Financial year and quarter ended 2023

Profit/(loss) before Tax

The profit/(loss) before tax for the Financial Year 2024 was Rs. 66.38/- Lakhs as compared to Rs.(11.51)/-Lakhsfor the Financial Year 2023.

The profit/(loss) before tax for the Financial Year 2022was Rs 39.61/- Lakhs as compared to Rs.(11.51)/- Lakhs for the Financial year and quarter ended 2023

Tax expenses

Tax expenses for the Financial Year 2024 was Rs.12.03/- as compared to Rs.(1.27)/- for the Financial year and quarter ended 2023

Tax expenses for the Financial Year 2022 wasRs.1.47/- as compared to Rs.(1.27)/- for the Financial year and quarter ended 2023

Unusual or Infrequent Events or Transactions

Other than as described in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as “unusual” or “infrequent”.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Draft Letter of Offer, particularly in chapter titled “Risk Factors” on page 23 , to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Related Party Transactions

For details, please refer to the chapter titled “*Financial Statements*” beginning on page 82 of this Draft Letter of Offer.

Significant developments after March 31, 2024, that may affect our future results of operations

Other than as disclosed in this Draft Letter of Offer, there have been no significant developments after March 31, 2024, that may affect our future results of operations.

MATERIAL DEVELOPMENTS

Except as stated elsewhere in this Draft Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2024,, which materially or adversely affect or are likely to affect, within the next 12 months, our operations, performance, prospects or profitability, or the value of our assets or our ability to pay our liabilities.

Appointment, Re-appointment, Regularization and Resignation of Directors and Key Managerial Personnel:

On 02nd April, 2024 –

1. Mr. Manish Nirmal(DIN: 09852472)appointed as Non-Executive Director.

On 27th April, 2024 –

1. Regularisation Of Additional Director, Mr. Nilesh Bide (Din: 06366702) As An Independent Non-Executive Director Of The Company
2. Regularisation Of Additional Director, Mr. Abhijeet Ramesh Dhanegaonkar (Din: 08395353) As An Independent Non-Executive Director Of The Company.
3. Regularisation Of Additional Director, Mr. Tejesh Vilas Patil (Din: 09528338) As An Independent Non-Executive Director Of The Company.
4. Regularisation Of Additional Director, Ms. Saily Avinash Thorve (Din: 10100615) As An Executive Director Of The Company.
5. Regularisation Of Additional Director, Mr. Hariprit Nitin Thorave (Din: 10359981) As Executive Director Of The Company.

On 1st June, 2024 –

1. Appointment of Mr. Patel MohitkumarShaileshkumar(DIN:10644334) as an Additional ₹ Director under the category of Executive, Non-Independent Director of the company.
2. Appointment of Mr. Jay RajeshbhaiPatel(DIN:10623714) as an Additional Director under the category of Executive, Non-Independent Director of the company.

On 28th June, 2024 –

1. Appointment of Mr. Jay MansukhbhaiSapariya as an Additional Director (Executive) and Managing Director on the Board of the Company.

On 8th August, 2024 –

1. Appointment of Mr. Jitendra PradipbhaiParmaras an Additional Director on the Board of the Company.
2. Appointment of Mr. Lokesh Rathi, as Company Secretary and Compliance Officer of the Company

On 13th August, 2024 –

1. Mrs. Saily Thorave (DIN: 10100615) resigned from the post of the Director w.e.f 13th August, 2024.

Appointment and Resignation of Statutory Auditor:

- On 27th April ,2024 appointed the M/S. R. K Chapawat& Co., Practicing Chartered Accountants, (Firm Registration No. 101708w) Statutory Auditors Of The Company To Fill The Casual Vacancy.
- On 14th August, 2024 , M/s. R. K Chapawat resigned as Statutory Auditor of the Company

Increase in authorized capital of the Company :

- Increase in Authorised Share Capital upto Rs. 24,00,00,000/- (Rupees Twenty-Four Crores) by alteration of the capital clause in the Memorandum of Association of the Company on July 22, 2024.

SECTION VI- LEGAL AND OTHER INFORMATION

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description below may not be exhaustive and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial, or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.

The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, please refer "Government and Other Approvals" on page 125. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts, and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local bylaws.

Following is an overview of some of the important laws and regulations, which are relevant to our business.

THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made there under.

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

SEBI REGULATIONS

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

TAX RELATED REGULATIONS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. U/s 139(1), every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Government has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides

for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra- state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

LAWS RELATED TO FOREIGN TRADE:

Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services. 100

% FDI is permitted in under the automatic route in the IT sector.

The Foreign Trade (Development and Regulation) Act, 1992 (“FTA”) and the rules framed thereunder:

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorized to formulate and announce a foreign trade policy and also amend the same from time to time, by notification in the Official Gazette;

(iv) is authorized to appoint a 'Director General of Foreign Trade' for the purposes of the FTA, including formulation and implementation of the foreign trade policy.

Imports and exports are permitted by persons who hold an “Importer-exporter code number” (“IEC”) unless specifically exempted. All imports and exports must be carried out in accordance with the applicable laws issued by the Central Government, from time to time. In the event of any contravention of the laws relating to central excise or customs or foreign exchange or any other economic offence under any other law for the time being in force as may be specified by the Central Government by notification in the Official Gazette, or if an export or import has been carried out in a manner gravely prejudicial to the trade relations of India with any foreign country, or to the interests of other persons engaged in imports or exports, or has brought disrepute to the credit of the goods of or services or technology from the country, these instances may result in the suspension and cancellation of the IEC number.

Foreign Trade Policy 2015-2020:

FTP 2015-20 provides a framework for increasing exports of goods and services as well as generation of employment and increasing value addition in the country, in line with the ‘Make in India’ programme. It introduces two new schemes, namely ‘Merchandise Exports from India Scheme (MEIS)’ for export of specified goods to specified markets and ‘Services Exports from India Scheme (SEIS)’ for increasing exports of notified services. In view of the unprecedented current situation arising out of the pandemic Novel COVID-19 and to provide continuity in the policy regime, the FTP2015-2020, valid till 31.03.2022 has been further extended till 30.09.2022 with similar extensions made in the related procedures.

IMPORTANT GENERAL LAWS:**Registration Act, 1908**

The Registration Act, 1908 (“Registration Act”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

Competition Act, 2002

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act, 2002. The provisions of the Competition Act relating to combinations were notified on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.

Negotiable Instruments Act, 1881 (“NI Act”)

The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid.

The Indian Stamp Act, 1899 (“Stamp Act”)

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain States in India have enacted their own legislation in relation to stamp duty while the other States have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

Consumer Protection Act, 2019

Few of the provisions of The Consumer Protection Act, 2019 (“COPRA”) have been notified vide notification No. S.O. 2421E, dated 23rd July 2020 thus repealing the respective provisions of Consumer Protection Act, 1986. However, the provisions of Consumer Protection Act, 1986, are still valid to the extent COPRA being not notified. The Consumer Protection Act provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA has brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online market place or online auction sites. The COPRA also provides for mediation cells for early settlement of the disputes between the parties.

The Consumer Protection Act, 1986(COPRA)

COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels.

The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a UdyogAdhaar Memorandum in the form and manner specified in the notification.

The Indian Contract Act, 1872

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

Shops and Establishments Laws in Various States

As per the provisions of local Shops and Establishments laws applicable in the state of business of the organization, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

The Information Technology Act, 2000 (IT Act)

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) as amended is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. It is based on the United Nations Model Law on Electronic Commerce 1996 (UNCITRAL Model) recommended by the General Assembly of United Nations by a resolution dated 30 January 1997. The Act provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "electronic commerce", which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies and further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Bankers' Books Evidence Act, 1891 and the Reserve Bank of India Act, 1934 and for matters connected therewith or incidental thereto. A major amendment was made in 2008. It introduced the Section 66A which penalised sending of "offensive messages". It also introduced the Section 69, which gave authorities the power of "interception or monitoring or decryption of any information through any computer resource". It also introduced penalties for child porn, cyber terrorism and voyeurism.

The Personal Data Protection Bill, 2019 (“Bill”)

The Personal Data Protection Bill, 2019 was introduced in Lok Sabha on December 11, 2019. The Bill seeks to provide for protection of personal data of individuals, and establishes a Data Protection Authority for the same. Data Protection refers to the set of privacy laws, policies and procedures that aim to minimise intrusion into one's privacy caused by the collection, storage and dissemination of personal data. Personal data generally refers to the information or data which relate to a person who can be identified from that information or data whether collected by any Government or any private organization or an agency.

National Digital Communications Policy 2018

With significant capabilities in both telecommunications and software, India, more than most countries, stands poised to benefit from harnessing new digital technologies and platforms to unlock productivity, as well as to reach unserved and underserved markets; thus, catalysing economic growth and development, generating new-age jobs and livelihoods, and ensuring access to next generation services for its citizens. This policy aims for Universal Coverage rather than revenue maximization. This policy and principles framework will enable creation of a vibrant competitive telecom market to strengthen India's long-term competitiveness and serve the needs of our aspiring nation. The Policy aims to remove regulatory barriers and reduce the regulatory burden that hampers investments, innovation and consumer interest and identifies steps to strengthen the sector's

institutional mechanism and legislative framework, to ensure that India's economy and citizens can derive the full potential of its digital communications sector.

Data Center Policy, 2020

Indian Data Centre market has seen tremendous growth in the past decade, riding on the explosion of data through smart phones, social networking sites, ecommerce, digital entertainment, digital education, digital payments and many other digital businesses/services. This growth in data is further stimulated by adoption of emerging technologies such as quantum computing, artificial intelligence, internet of things etc. While the Data Centre sector is witnessing growth in the country, there are known impediments to its growth such as lack of infrastructure or Industry status of the Data Centres, complex clearance processes, time consuming approvals, high cost of power, lack of published standards, absence of specialised building norms for building the Data Centres, submarine cable network connectivity limited to few states and high cost of capital and operational expenditure etc. This policy aims to offset these challenges in order to accelerate the current pace of growth and propel India in becoming a global Data Centre hub.

LAWS RELATED TO EMPLOYMENT OF MANPOWER:

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter- State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

The Industrial Relations Code, 2020

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

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)

This Act has provisions to ensure that the contract labour is not misused and the rights of workers employed on contract basis are protected. The Act does not ban contract labour altogether, but puts certain restrictions on it and prohibits it under certain circumstances. The labour Law allows hiring fixed term contract workers for tasks of permanent nature. There is no maximum length of fixed term contracts provided under the labour laws.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the above mentioned schemes.

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed ` 1 million.

Labour Laws

Depending upon the nature of the activities undertaken by our Company, certain applicable labour laws and regulation include the following:

Child Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986, ("CLPRA Act") provides for prohibiting engagement of children below 14 years in factories, mines and hazardous employments and regulates the conditions of their employment in certain other employments. The CLPRA Act aims to regulate the number of hours, period of work and holidays to be given to child labourer. It specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The CLPRA Act also provides for health and safety measures to be complied with by the employer. Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 ("ISMW Act")

The ISMW Act regulates the employment of inter-state migrant workmen and provides for their conditions of services and for matter connected therewith. Under the provisions of the ISMW Act, every principal employer of an establishment which employs five or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding 12 months has to register his establishment under ISMW Act. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed. Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to two years or with fine which may extend to ` 2,000 or with both

Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWPPR Act") aims to provide women protection against sexual harassment at the workplace and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines 'sexual harassment' to include any unwelcome acts or a sexually determined behaviour (inter alia whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organisations, non-governmental organisations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports

institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an ‘internal complaints committee’ at each office or branch, of an organization employing at least 10 employees. Factors like mental trauma, medical expenses, loss in the career opportunity and income shall be considered while determining compensation. The duties of the employer and the district officer are provided in the SHWPPR Act.

The Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961, as amended (“Maternity Benefit Act”) on 1st April 2017 regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. However, the relevant provision on the “work from home” option will come into effect from 1st July 2017. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. The maximum period for which any woman shall be entitled to maternity benefit shall be 26 weeks, of which not more than eight weeks shall precede the date of her expected delivery. For women who are expecting after having 2 children, the duration of paid maternity leave shall be 12 weeks (i.e., 6 weeks pre and 6 weeks post expected date of delivery). It also provides that every woman who adopts a child shall be entitled to 12 weeks of maternity leave, from the date of adoption. The MB Amendment Act has also introduced an enabling provision relating to “work from home” for women, which may be exercised after the expiry of the 26 weeks’ leave period depending on nature of work. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy. The MB Amendment Act makes crèche facility mandatory for every establishment employing 50 or more employees. Women employees would be permitted to visit the crèche 4 times during the day.

The Minimum Wages Act, 1948

Under the Minimum Wages Act, 1948 (“Minimum Wages Act”) every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including outworkers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

Other Laws and Regulations

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations. Our Company is also amenable to various central and state tax laws.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the section titled ‘*Government and Other Approvals*’ beginning on 107, of this Draft Letter of Offer.

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

There are outstanding litigations involving our Company and our Subsidiaries/associates whose financial statements are included in the draft letter of offer, either separately or in a consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

- In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as 'material';
- For the purpose of determining materiality, the threshold shall be determined by the issuer as per requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended,

Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

LITIGATION INVOLVING OUR COMPANY

1) Litigation Involving Actions by Statutory/Regulatory Authorities

As on date of this Draft Letter of Offer, The Company is involved in a number of legal proceedings for the recovery of trade receivables and advances with the aggregate amount of Rs.35.82 Lacs which are yet to be concluded upon.

2) Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

As on date of this Draft Letter of Offer, there is a Disputed Tax Liabilities in respect of demand raised by Income Tax Authorities for the AY 18-19 for disallowances/additions made by the Deptt. pending litigation before Appellate Authorities of Rs. 5,39,000.

(ii) Indirect Taxes Liabilities

As on date of this Draft Letter of Offer, there are no indirect tax liabilities against our Company.

3) Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

As on date of this Draft Letter of Offer, there are no issues of moral turpitude or criminal liability on the part of our Company.

4) Proceedings involving Material Violations of Statutory Regulations by our Company

As on date of this Draft Letter of Offer, there are proceedings involving Material Violations of Statutory Regulations by our Company.

5) Matters involving economic offences where proceedings have been initiated against our Company

As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company;

6) 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

As on date of this Draft Letter of Offer, there are no 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;

LITIGATION INVOLVING OUR DIRECTORS, PROMOTERS AND PROMOTER GROUP

Litigation Involving Actions by Statutory/Regulatory Authorities

As on date of this Draft Letter of Offer, there are no subsisting litigations involving actions by statutory/ regulatory authorities filed by or against our directors, promoters, and promoter group;

LITIGATION INVOLVING OUR SUBSIDIARY

Litigation involving our Subsidiary

As on date of this Draft Letter of Offer, there are no subsisting litigations filed by or against our Subsidiary;

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoter or any of our Directors are or have been categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET FOR MARCH 31,2024

Except as mentioned in this Draft Letter of Offer, no material circumstances have arisen since the date of last financial statement until the date of filing the Draft Letter of Offer, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months to our knowledge.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

I. Incorporation details

- Certificate of incorporation dated June03, 1982 issued to Pradhin Limited by the Registrar of Companies, Chennai, Tamil Nadu.
- The Corporate Identity Number (CIN) of our Company is L15100TN1982PLC009418.

II. Approvals in relation the Issue

- The Board of Directors have, pursuant to Section 62(1)(a) of the Companies Act 2013, by a resolution passed at its meeting held on September 18, 2024 authorized the Issue.
- In-principle approval from the BSE dated [□].

III. Approvals in relation Tax

- The permanent account number of our Company is AAACB1368B.
- The tax deduction account number of our company is CHEB00090G.
- The GST number of our Company is **24AAACB1368B1ZC**.

IV. Approvals in relation to our Business

- Our Company has not registered into Udyog Aadhar issued by the Micro, Small and Medium Enterprises, Government of India.

V. Approvals in relation to Environment

Our Company has received a non-objection certificate (NOC) under the Water Pollution (Prevention and Control of Pollution), Act, 1974 and Air Pollution (Prevention and Control of Pollution) Act 1981 for its manufacturing activity issued by District Trade and Industries Centre Chennai, Tamil Nadu,

OFFICES

Registered Office: 61, Sembudoss Street, Chennai, Tamil Nadu, India, 600001.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

This Issue of Equity Shares to the Eligible Shareholders is being made in accordance with the:

1. Resolution passed by our Board of Directors under clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, at their meeting conducted on September 18, 2024
2. The Rights Issue Committee of Board of Directors of our Company in their meeting conducted on [●] approved this Issue inter-alia on the following terms:

Issue Size	Upto 49,00,00,000 /- (Forty Nine Crore Rupees);
Issue Price	₹[●]/- (Rupees [●]) per Right Equity Share issued in 1 (One) Rights Entitlement, (i.e. ₹[●]/- (Rupees [●]) per Rights Equity Share, including a premium of ₹[●]/- (Rupees [●]) per Rights Equity Share);
Issue Entitlement Ratio	On Application, Investors will have to pay ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price;
Record Date	[●]:[●] i.e., Equity Shares for every [●] Equity Shares held by Eligible Shareholders of our Company as on Record Date;
Record Date	[●];

The Issue Price shall be determined by the Company;

3. This Draft Letter of Offer has been approved at Meeting of the Board of Directors on September 18, 2024.
4. Receipt of In-principle approval from BSE Limited in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Right Shares proposed to be allotted pursuant Issue vide a letter bearing reference number [●] from BSE Limited (BSE) dated [●]. Our Company will also make application to BSE Limited (BSE) to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular;
5. Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company.

PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

1. Our Company, and the Directors of our Company have not been prohibited or 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 or any other regulatory or governmental authority.
2. The companies with which our Directors or the persons in control of our Company are or were associated as directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.
3. Our Company and the Directors of our Company have not been identified as Wilful Defaulters by the RBI;
4. None of our Directors are associated with the securities market in any manner;
5. Our Company, , and the Directors of our Company have not been declared as fugitive economic offenders;
6. None of our Directors currently holds nor have held directorship(s) in the last five years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange;
7. There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, Directors, Group Companies;

ELIGIBILITY FOR THE ISSUE

1. Our Company is a listed company incorporated under the Companies Act, 2013. Our Equity Shares are presently listed on the BSE Limited (BSE). Our Company is eligible to offer and issue Right Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations;
2. Our Company is undertaking this Right Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations. Our Company undertakes to make an application to BSE Limited (BSE) for listing of the Right Shares to be issued pursuant to this Issue.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

1. The present Issue being of less than ₹5,000 Lakhs, our Company is in compliance with first proviso 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, i.e. www.sebi.gov.in;
2. Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations to the extent applicable;
3. Further, in relation to compliance Regulation 62 (1) (a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to BSE Limited (BSE) for listing of the Right Shares to be issued pursuant to this Issue;

COMPLIANCE WITH CLAUSE (1) OF PART B OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS

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

1. Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI (LODR) Regulations, as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with the SEBI and until date;
2. The reports, statements and information referred to above in clause (1) are available on the website of BSE Limited (BSE);
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 our Directors 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, disclosures in this Draft Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI (ICDR) Regulations.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company is in compliance with the provisions of the Companies (Significant Beneficial Ownership) Rules, 2018.

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹5,000.00 Lakhs.

As required, a copy of the Letter of Offer will be submitted to SEBI.

DISCLAIMER CLAUSES FROM OUR COMPANY

Our Company accept no responsibility for the statements made otherwise than in this Draft Letter of Offer or in any advertisement or other materials issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at his/ her 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.

CAUTION

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Right Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date of this Draft Letter of Offer.

DISCLAIMER WITH RESPECT TO JURISDICTION

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

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Issue will be BSE Limited (BSE)

DISCLAIMER CLAUSE OF BSE LIMITED

As required, a copy of this Draft Letter of Offer has been submitted to the BSE Limited (BSE) has given vide its letter dated [●] to use its name in this Draft Letter of Offer. The Disclaimer Clause as shall be intimated by the BSE Limited (BSE) to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with BSE Limited (BSE) Further BSE Limited (BSE)does not in any manner:

1. Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
2. Warrant that our Company's Equity Shares will be listed or will continue to be listed on BSE Limited (BSE); or
3. Take any responsibility for the financial or other soundness of our Company, its management or any scheme or project of our Company;

And it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the BSE Limited (BSE).

Every Investor who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE Limited (BSE) 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.

FILING

The Draft Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is up to ₹5,000.00 Lakhs which does not require issuer to file Draft Letter of Offer with SEBI. The Company has filed Draft Letter of Offer with the Stock Exchange for obtaining in-principle approval.

SELLING RESTRICTIONS

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

We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer,

Abridged Letter of Offer, Entitlement Letter, and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the BSE Limited (BSE). Accordingly, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, and the Application Form.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, and Application Form 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.

Accordingly, the Rights Entitlements or Right Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Right Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Right Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or their respective affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/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 Entitlement or Right Shares referred to in this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Right Shares in this Issue must provide an Indian address.

No information in this Draft Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlement and the Right Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Right Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company or their respective affiliates to make any filing or registration (other than in India).

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

The contents of this Draft Letter of Offer, the Letter of Offer and Abridged 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 buying or selling of Right Shares or Rights Entitlements. As a result, 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 Right Shares or Rights Entitlements. In addition, neither our Company nor any of their respective affiliates are making any representation to any offeree or purchaser of the Right Shares or the Rights Entitlements regarding the legality of an investment in the Right Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Right Shares have not been and will not be registered under the United States Securities Act, 1933, as amended, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof or to, or for the account or benefit of, 'U.S. persons' (as defined in Regulation S under the Securities Act, except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Right Shares referred to in this Draft Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Right Shares and/ or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this Draft Letter of Offer, the Letter of Offer, and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Entitlement Letter, and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Right Shares shall be made from US bank accounts and all persons subscribing for the Right Shares and wishing to hold such Right Shares in registered form must provide an address for registration of the Right Shares in India.

We, the Registrar, or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:

- a. **Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Right Shares in compliance with all applicable laws and regulations;**
- b. **Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;**
- c. **Where a registered Indian address is not provided;**
- d. **Where we 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 Right Shares in respect of any such Application Form.

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

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

1. Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011' dated June 3, 2011'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising of 3 (Three), members of the said committee, which meets 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. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, **Cameo Corporate Services Limited** for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

2. Investor Grievances arising out of this Issue

Our Company's investor grievances arising out of the Issue will be handled by **Cameo Corporate Services Limited**, who is the Registrar to the Issue. The Registrar to the Issue will have a separate team of personnel handling only post- Issue correspondence. The agreement between our Company and the Registrar to the Issue will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice to enable the Registrar to redress grievances of Investors.

All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial

number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar to the Issue for attending to routine grievances will be seven to ten days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Investors may contact the Company Secretary and Compliance Officer of our Company and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post-Issue related problems such as non-receipt of allotment advice/ demat credit etc.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, 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 Right Shares applied for, amount blocked, 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. For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' on page150, of this Draft Letter of Offer.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

Company Secretary and Compliance Officer	Registrar to the Issue
<p>Mr. Lokesh Rathi</p> <p>Address: 61, Sembudoss Street, Chennai, Tamil Nadu, India, 600001</p> <p>Contact Details:+91 99250 52000;</p> <p>Email-ID: info.pradhin@gmail.com</p>	<p>M/S. Cameo Corporate Services Limited</p> <p>Registrar to the Rights Issue</p> <p>Address :Subramanian Building" No.1, Club House Road, Chennai-600002, Tamil Nadu, India</p> <p>(CIN: U67120TN1998PLC041613)</p> <p>Contact Details: + 91-44-28460390/+91-44-40020710;</p> <p>E-mail ID/ Investor grievance e-mail: cameo@cameoindia.com</p> <p>Website: www.cameoindia.com</p> <p>Contact Person:K.Sreepriya</p> <p>SEBI Registration Number:INR000003753</p> <p>Validity: Permanent</p>

SECTION VII – ISSUE 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 the Issue Materials, 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 Draft 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 facility as disclosed in this section.

OVERVIEW

This Issue and the Right Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the 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 (LODR) 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 BSE Limited (BSE) and the terms and conditions as stipulated in the Allotment advice.

IMPORTANT

1. Dispatch and availability of Issue materials

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

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible 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 such Eligible 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 or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

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

- a. Our Company's website at <https://pradhinglobal.com>
- b. Registrar to the Issue's website at www.cameoindia.com ;
- c. BSE Limited's website at www.bse.com;

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at www.cameoindia.com by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at <https://pradhinglobal.com>

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible. In light of the current situation and pursuant to the SEBI Rights Issue Circulars, our Company, and the Registrar to the Issue will not be liable 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 attributable to the non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

2. Facilities for 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. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the Paragraph titled '*Procedure for Application through the ASBA Process*' page no. 142 of this Draft Letter of Offer.

ASBA facility

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, Paragraph titled '*Procedure for Application through the ASBA Process*' on page 160 of this Draft Letter of Offer.

Please note that subject to SCSBs complying with the requirements of 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 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). 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.

Credit of Rights Entitlements in demat accounts of Eligible Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI - Rights Issue Circular, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and
- b. A demat suspense escrow account (Namely, 'PradhinLimited - ***RIGHTS ENTITLEMENT SUSPENSE ESCROWDEMAT ACCOUNT***') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
 - (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - (ii) Equity Shares held in the account of IEPF authority; or
 - (iii) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - (iv) Credit of the Rights Entitlements returned/ reversed/ failed; or
 - (v) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

Eligible Shareholders as on Record Date 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 the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer.

OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

Purpose	Link
Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors	www.cameoindia.com
Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders	
Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company	www.cameoindia.com
Updation of demat account details by Eligible Shareholders holding shares in physical form	

RENOUNCEES

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

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of Board of Directors of our Company passed at their meeting held on September 18, 2024, in accordance with the provisions of Section 62(1)(a) of the Companies Act.

The Board of Directors in their meeting held on [●] have determined the Issue Price at ₹[●] per Equity Share and the Rights Entitlement as [●] Rights Equity Share(s) for every [●] fully paid-up Equity Share(s) held on the Record Date.

The Issue Price has been determined by the Company.

BASIS FOR THIS ISSUE

The Right Shares are being offered for subscription for cash to the Eligible 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 at the close of business hours on the Record Date.

RIGHTS ENTITLEMENTS

Eligible Shareholders whose names appear 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 Rights Shares as set out in the Rights Entitlement Letter

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Application Form to all 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 Entitlements or Rights 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, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Shareholders can also obtain the details of their respective Rights Entitlements from the Registrar to the Issue's website at www.cameoindia.com 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 our Company's website at <https://pradhinglobal.com>

Rights Entitlements shall be credited to the respective demat accounts of Eligible Shareholders before the Issue Opening Date only in dematerialised form.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Rights Issue Opening Date only in dematerialised form. 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 Rights 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 Rights Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the Registrar's website at www.cameoindia.com. Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date.

Our Company is undertaking this Issue on a rights basis to the Eligible Shareholders and will send the Issue Materials to email addresses of Eligible Shareholders who have provided their Indian address to our Company or who are located in jurisdictions where this Issue and sale of the Rights Entitlements or Rights 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 such Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid email address and in case such 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.

The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar and our Company through a link contained in the aforementioned email sent to email addresses of Eligible Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) and on the BSE Limited (BSE) website. The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Right 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 filed with BSE Limited (BSE) and the Letter of Offer to be filed with SEBI and the BSE Limited (BSE). Accordingly, the Rights Entitlements and Right Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer, 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 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 in those jurisdictions in which it would be illegal to make such an offer and, 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 re-distributed. 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 Right 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. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Forms 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 acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Right Shares under the laws of any jurisdiction which apply to such person.

PRINCIPAL TERMS OF THIS ISSUE

1. Face Value

Each Right Shares will be having face value of ₹10.00 (Rupee TenOnly).

2. Issue Price

Each Rights Equity Share is being offered at a price of ₹[●] (Rupees [●] Only) per Rights Equity Share (including a premium of ₹[●] (Rupees [●] Only) per Rights Equity Share) in this Issue.

On Application, Investors will have to pay entire amount of ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price.

The Issue Price for Right Shares has been arrived at by our Company and has been decided prior to the determination of the Record Date.

3. Rights Entitlements Ratio

The Right Shares are being offered on a rights basis to the Eligible Shareholders in the ratio of [●] Rights Equity Share(s) for every [●] fully paid up Equity Share(s) held by the Eligible Shareholders as on the Record Date.

4. Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible 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 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 BSE Limited (BSE) or through an off-market transfer

In accordance with SEBI circulars the Physical Shareholders as on the Record Date, who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

5. Process of Credit of Rights Entitlements in dematerialized account

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and
- b. A demat suspense escrow account (namely, '[●]' opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
 - (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - (ii) Equity Shares held in the account of IEPF authority; or
 - (iii) Physical Shareholders as on Record Date where details of demat accounts are not provided by Eligible Shareholders to our Company or Registrar; or
 - (iv) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - (v) Credit of the Rights Entitlements returned/ reversed/ failed; or
 - (vi) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

In this regard, our Company has made necessary arrangements with the Depositories for the crediting of the Rights Entitlements to the demat accounts of the Eligible Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period, i.e., from [●] to [●] (both days inclusive). It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Shareholders whose Rights Entitlement are credited in demat suspense account 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 the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the transfer. Physical Shareholders can update

the details of their demat accounts on the website of the Registrar accessible at www.cameoindia.com. Such Eligible Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

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

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, PLEASE REFER TO THE PARAGRAPH TITLED 'PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS' ON PAGE 160 OF THIS DRAFT LETTER OF OFFER.

6. Trading of the Rights Entitlements

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the BSE Limited (BSE) under ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the BSE Limited (BSE) for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the BSE on T+1 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be 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 [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible 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. For details, see '*Procedure for Renunciation of Rights Entitlements – On Market Renunciation*' and '*Procedure for Renunciation of Rights Entitlements – Off Market Renunciation*'.

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.

7. Terms of Payment

The entire amount of the Issue Price of ₹[●] per Rights Equity Share shall be payable at the time of Application.

Each Rights Equity Share is being offered at a price of ₹[●]/- per Rights Equity Share (including a premium of ₹[●]/- per Rights Equity Share), for every 1 Rights Equity Share allotted in this Issue.

Where an Applicant has applied for additional Right Shares and is Allotted a lesser number of Right Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking 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.

8. Fractional Entitlements

The Rights Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of [●] Rights Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Shares over and above their Rights Entitlements, if any, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder hold [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Shares. Such Eligible Shareholders are entitled to apply for additional Rights Shares and will be given preference in the Allotment of one Rights Shares, if such Eligible Shareholders apply for additional Rights Shares, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

9. Ranking of Equity Shares

The Right Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the 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 (LODR) Regulations, and the guidelines, notifications and regulations issued 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 BSE and the terms and conditions as stipulated in the Allotment advice.

The Right Shares being issued and Allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Right Shares shall rank pari-passu, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

10. Credit Rating

As this Issue is a Rights Issue, there is no requirement for credit rating for this Issue

11. Listing and trading of the Right Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Right Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Right Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Right Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the BSE Limited for final approvals for the listing and trading of the Right Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Right Shares or the price at which the Right Shares offered under this Issue will trade after the listing thereof.

The Right Shares shall be listed and admitted for trading on the BSE Limited (BSE) under ISINs for Right Shares. The listing and trading of the 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.

The existing Equity Shares are listed and traded on platform of BSE bearing Scrip Symbol code 'PRADHIN' Scrip code 530095 under ISIN'INE656B01019. The Rights Equity shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approval from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our company.

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 BSE, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the BSE, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/unblocked within 4 (Four) 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 fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

12. Rights of holders of Right Shares of our Company

Subject to applicable laws, holders of the Right Shares shall have the following rights:

- a. The Right Shares shall rank *pari-passu* with the existing Equity Shares in all respects;
- b. The right to receive dividend, if declared;
- c. The right to vote in person, or by proxy, except in case of Right Shares credited to the demat suspense account for resident Eligible Shareholders;
- d. The right to receive surplus on liquidation;
- e. The right to free transferability of Right Shares;
- f. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and
- g. 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 Right Shares shall be entitled to the above rights in proportion to amount paid-up on such Right Shares in this Issue.

13. Mode of Payment of Dividend

In the event of declaration of dividend, our Company shall pay dividend to the shareholders of our Company as per the provisions of the Companies Act and the provisions of the Articles of Association.

GENERAL TERMS OF THE ISSUE

1. Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for trading of Rights Entitlements is 1 Shares and in multiples of 1 Shares. To clarify further, fractional entitlements are not eligible for trading.

2. Minimum Subscription

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

- a. Objects of the issue being other than capital expenditure for a project; and

The objects of the Rights Issue involve financing other than the financing of capital expenditure for a project.

3. 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 Right Shares offered in this Issue.

4. 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 dematerialized 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 Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

5. Arrangements for Disposal of Odd Lots

The Rights Equity Shares are traded in dematerialized form only. The market lot for trading of Rights Entitlements is 1Shares and in multiples of 1 Shares and therefore the marketable lot is 1 Equity Shares.

6. **Restrictions on transfer and transmission of shares and on their consolidation/splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

7. **Notices**

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material only to the Eligible 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 Right 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 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 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.

The Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible 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 Shareholders have not provided their email 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 Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation (Hindi being the regional language of Indore where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their website.

OFFER TO NON-RESIDENT ELIGIBLE SHAREHOLDERS/INVESTORS

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Right Shares to non-resident shareholders including additional Right 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:

1. Subscribe for additional Equity Shares over and above their Rights Entitlements;
2. Renounce the Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or
3. Apply for the Equity Shares renounced in their favour.

Applications received from NRIs and non-residents for allotment of Right 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 Right Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the e-mail address of non-resident Eligible Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Right 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 Right 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.

Any non-resident shareholder who has applied in the Issue without submitting RBI approval and/or without providing Indian address, his/her application will be liable for rejection.

PROCEDURE FOR APPLICATION

How to Apply

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 only. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

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.

Application Form

The Application Form for the Right Shares offered as part of this Issue would be sent to the Eligible Shareholders only to

- (i) E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;
- (ii) Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;
- (iii) Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and
- (iv) E-mail addresses of foreign corporate or institutional shareholders.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least 3 (Three) days before the Issue Opening Date.

In case of non-resident Eligible Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions.

Please note that neither our Company nor the Registrar shall be responsible for 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 Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit www.cameoindia.com. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of:

- i. Our Company's website at <https://pradhinglobal.com>
- ii. Registrar to the Issue's website at www.cameoindia.com ;
- iii. BSE Limited's website at www.bse.com;

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.cameoindia.com by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at <https://pradhinglobal.com>. The Application Form can be used by the Eligible Shareholders as well as the Renouncees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the 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 Shareholders 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 Right 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 accept this Issue and apply for the Right Shares by:

- (i) Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- (i) 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 SCSB; or

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see 'Grounds for Technical Rejection'. Our Company, the Registrar and the SCSB shall not be liable for any 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 an Application that is available on the website of the Registrar, Stock Exchange, or on a plain paper with the same details as per the Application Form available online. Please note that Eligible 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 '*Application on Plain Paper under ASBA process*' on page 162 of this Draft Letter of Offer.

OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

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

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

1. Apply for its Right Shares to the full extent of its Rights Entitlements; or
2. Apply for its Right Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Right Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Right Shares to the full extent of its Rights Entitlements and apply for additional Right Shares; or
5. Renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB 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 SCSB, 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.

Self-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 SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Right Shares:

Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

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 BSE Limited(BSE), and

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 162 of this Draft Letter of Offer.

ADDITIONAL RIGHT SHARES

Investors are eligible to apply for additional Right Shares over and above their Rights Entitlements, provided that they are eligible to apply for Right Shares under applicable law and they have applied for all the Right Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity. Where the number of additional Right 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 Right 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 no. 170.

Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Right Shares.

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Shares.

Pursuant to the ASBA Circulars, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. 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 Rights Shares while submitting the Application through ASBA process.

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:

- 1) By using the secondary market platform of BSE Limited(BSE),; or
- 2) Through an off -market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Shares.

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 stockbroker 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.

(i) 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 Exchange 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 Shareholders shall be admitted for trading on the Stock Exchange under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (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 [●] (for Rights Entitlement) that shall be allotted for the Rights Entitlement 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.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+1 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 stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

(ii) 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 dematerialized form only.

Eligible 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.

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 (for Rights Entitlement) that shall be allotted for the Rights Entitlement, 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.

APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible 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 the SCSB before the Issue Closing Date and should contain the following particulars:

- (i) Name of our Company, being '**PRADHIN LIMITED**';
- (ii) 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);
- (iii) Registered Folio No./DP and Client ID No.;
- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option – only dematerialized form;
- (vi) Number of Right Shares entitled to;
- (vii) Total number of Right Shares applied for;
- (viii) Number of additional Right Shares applied for, if any;
- (ix) Total number of Right Shares applied for;
- (x) Total amount paid at the rate of ₹[●]/- for Right Shares issued in one Rights Entitlement;
- (xi) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- (xii) In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- (xiii) 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 Right Shares applied for pursuant to this Issue;
- (xiv) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (xv) 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 SCSB); and
- (xvi) In addition, all such Eligible Shareholders are deemed to have accepted the following:

'I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States 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 in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, 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 we, the Registrar or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the 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 except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (hereinafter referred

to as **'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 (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, their 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.cameoindia.com

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

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.cameoindia.com

MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility only.

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

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB 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, 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 Section 40 (3) of the Companies Act, 2013.

The balance amount remaining after the finalization 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 SCSB. 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.

The SCSB 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 SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

1. 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.

2. 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:

- a) Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, the BSE Limited (BSE), and our Company;

Note: In case of non-resident Eligible Shareholders, the Issue Materials shall be sent to shall be sent to their email addresses if they have provided their Indian address to our Company and if they are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights 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. The Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights 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.

- i. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Shares may be restricted by applicable securities laws;
- ii. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;

Notes

- (i) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
- (ii) In case Rights Shares Are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India;
- (iii) 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;
- (iv) Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights 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;
- (v) 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;
- (vi) Non-resident Renounees, who are not Eligible Shareholders, must submit regulatory approval for applying for additional Rights Shares;

ALLOTMENT OF THE RIGHT SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS 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. FOR DETAILS, SEE 'ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS' ON PAGE 171 OF THIS DRAFT LETTER OF OFFER.

GENERAL INSTRUCTIONS FOR INVESTORS

1. Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process;
2. Please read the instructions on the Application Form sent to you;
3. The Application Form can be used by both the Eligible Shareholders and the Renounees;
4. Application should be made only through the ASBA facility;
5. 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 the 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;

6. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes* on page 162 of this Draft Letter of Offer;
7. 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 only the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA;
8. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
9. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB 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 Exchange;
10. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar;
11. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;
12. 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 Right Shares pursuant to this Issue shall be made into the accounts of such Investors;
13. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;
14. For physical Applications through ASBA at Designated Branches of SCSB, 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 SCSB;
15. 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 SCSB. 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;
16. All communication in connection with Application for the Right Shares, including any change in address of the Eligible 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 numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Shareholders, the Eligible Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;
17. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012 dated September 25, 2012' within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility;
18. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;
19. Investors are required to ensure that the number of Right Shares applied for by them do not exceed the prescribed limits under the applicable law;

20. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

Do's:

1. 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 Investors should provide correct DP-ID and client-ID/ folio number 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.
2. mention their internal reference number in place of application number;
3. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;
4. 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;

Don'ts:

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;
4. Do not pay the Application Money in cash, by money order, pay order or postal order;
5. Do not submit multiple Applications.

Do's for Investors applying through ASBA:

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Right Shares will be Allotted in the dematerialized form only;
2. 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;
3. Ensure that there are sufficient funds (equal to {number of Right Shares (including additional Right Shares) applied for} X {Application Money of Right Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;
4. Ensure that you have authorized the SCSB 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;
5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;
6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;
7. 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;

Don'ts for Investors applying through ASBA:

1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;

2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;
3. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;

Grounds for Technical Rejection

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

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;
2. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;
3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
5. Account holder not signing the Application or declaration mentioned therein;
6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
8. 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);
9. 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;
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;
11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer;
12. Physical Application Forms not duly signed by the sole or joint Investors;
13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
14. 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;
15. 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) or other jurisdictions where the offer and sale of the Right 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) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Right Shares in respect of any such Application Form;
16. Applications which have evidence of being executed or made in contravention of applicable securities laws;
17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;

18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;

DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHT SHARES DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number 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. Hence, 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.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email 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 Right 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) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

MULTIPLE APPLICATIONS

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Right Shares with/without using additional Rights Entitlements will not be treated as multiple application. 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. For details, see '*Procedure for Applications by Mutual Funds*' below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications and are liable to be rejected.

LAST DATE FOR APPLICATION

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. The Board of Directors 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 SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by the Board of Directors, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and the Board of Directors shall

be at liberty to dispose of the Right Shares hereby offered, as provided under the section, '*Basis of Allotment*' on 170 of this Draft Letter of Offer.

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 BSE Limited(BSE),

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.

WITHDRAWAL OF APPLICATION

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

ISSUE SCHEDULE

Last date for Credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation*	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of Credit (on or about)	[●]
Date of Listing (on or about)	[●]

** Eligible 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 of Directors may however decide 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).

BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the 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 Right Shares in the following order of priority:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlements of Right Shares either in full or in part and also to the Renouncee(s) who has or have applied for Right Shares renounced in their favour, in full or in part.
2. Eligible Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Right Shares. Allotment under this head shall be considered if there are any unsubscribed Right Shares after allotment under (a) above. If number of Right Shares required for Allotment under this head are more than the number of Right 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.
3. Allotment to the Eligible Shareholders who having applied for all the Right Shares offered to them as part of this Issue, have also applied for additional Right Shares. The Allotment of such additional Right 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 Right Shares after making full Allotment in (1) and (2) above. The Allotment of such Right 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.

4. Allotment to Renounees who having applied for all the Right Shares renounced in their favour, have applied for additional Right Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Right 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.
5. Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (1) to (4) 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 Right Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our 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.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will e-mail Allotment advice, refund intimations or demat credit of Right Shares and/or letters of regret, along with crediting the Allotted Right Shares to the respective beneficiary accounts (only in dematerialized mode) or in a demat suspense account or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 (Fifteen) days from the Issue Closing Date. In case of failure to do so, our Company and the Directors who are 'officers in default' shall pay interest at 15% (Fifteen Percent) p.a. and such other rate as specified under applicable law from the expiry of such 15 (Fifteen) 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.

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.

1. Unblocking amounts blocked using ASBA facility.
2. National Automated Clearing House (hereinafter referred to as '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 centres 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.
3. National Electronic Fund Transfer (hereinafter referred to as 'NEFT') – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (hereinafter referred to as '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.

4. 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.
5. 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.
6. 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.
7. 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.

ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible 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 RIGHT SHARES IN DEMATERIALIZED FORM

Please Note That the Right Shares Applied For Under This Issue Can Be Allotted Only In Dematerialized Form And to

1. The Same Depository Account/ Corresponding PAN in which The Equity Shares Are Held By Such Investor On The Record Date, Or
2. 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
3. Demat Suspense Account Pending Receipt of Demat Account Details For Resident Eligible Shareholders/ Where The Credit Of The Rights Entitlements Returned/Reversed/Failed.

Investors shall be Allotted the Right Shares in dematerialized (electronic) form.

INVESTORS MAY PLEASE NOTE THAT THE RIGHT SHARES CAN BE TRADED ON THE BSE LIMITED (BSE) ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Right 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 Right Shares and the Application Form will be rejected.
5. The Right 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 Shareholders 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 Right 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 Right Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS

1. Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post -Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

2. Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where

such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

3. 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 recognized 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 the beneficial owner of an investment into India is situated in or is a citizen of any such country ('Restricted Investors'), will require prior approval of the Government of India. It is not clear from the press note whether or not an issuance of the Right Shares to Restricted Investors will also require a 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 of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

4. 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.

5. 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.

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 Shares; 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 Shares; or otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447.'

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 10 lakhs or 1% 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 up to three times of such amount.

In case the fraud involves (i) an amount which is less than ₹10 lakhs 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.

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 Rights Issue.

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 of Directors of the Company 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 cases where refunds are applicable, such refunds shall be made within a period of 15 days. In case of failure to do so, our Company and the Directors who are 'officers in default' shall pay interest at the prescribed rate. 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 Right 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 15 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.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of the 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 BSE Limited (BSE), where the Right Shares are to be listed are taken within the time limit specified by the 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 applicant within 15 (Fifteen) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. Where release of block on the application amount for unsuccessful bidders or part of the application amount 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;

UTILIZATION OF ISSUE PROCEEDS

Our Board declares that:

- a. All monies received out of issue of this Right Equity Issue to the public shall be transferred to a separate bank account.
- b. Details of all monies utilized out of this Right Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
- c. Details of all unutilized monies out of this Right Issue referred to in clause (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.

IMPORTANT

1. Please read this Draft 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 Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft 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 Pradhin-**RIGHT ISSUE**' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

M/S. Cameo Corporate Services Limited
Registrar to the Rights Issue
Address :Subramanian Building" No.1, Club House Road, Chennai-600002,
Tamil Nadu, India
(CIN: U67120TN1998PLC041613)
Contact Details: + 91-44-28460390/+91-44-40020710;
E-mail ID/ Investor grievance e-mail: cameo@cameoindia.com
Website: www.cameoindia.com
Contact Person:K.Sreepriya
SEBI Registration Number:INR000003753
Validity: Permanent

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 (www.cameoindia.com).
4. This Issue will remain open for a minimum 07 (Seven) days. However, the Board of Directors 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 Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the 'government route', where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

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 way 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 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), 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 Circular 2020'**), which, with effect from October 15, 2020, consolidated and superseded 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 proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

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, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, 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 transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. 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 (SAST) Regulations;
2. The non-resident shareholding is within the sectoral limits under the FDI Policy; and
3. 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 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 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 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 a 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 is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft 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.

SECTION VIII – OTHER INFORMATION

Please note that the Right Shares applied for under this Issue can be allotted only in dematerialised 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, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at www.krettosysconltd.com from the date of this Draft Letter of Offer until the Issue Closing Date.

MATERIAL CONTRACTS FOR THE ISSUE

1. Registrar Agreement dated [●] between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated [●] among our Company and the Registrar to the Issue and the Bankers to the Issue;

MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Fresh certificate of incorporation
3. Copies of annual report of our Company for the last Financial Years for the Financial Year ending March 31, 2023.
4. Resolution of our Board of Directors dated September 18, 2024, in relation to the Issue and other related matters;
5. Resolution of our Rights Issue Committee of Board of Directors dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
6. Consents of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Statutory Auditor, Banker to our Company, Bankers to the Issue, and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
7. Report on Statement of Special Tax Benefits dated [●], for our Company from the Statutory Auditors of our Company;
8. In-principle approval issued by BSE Limited (BSE) dated [●];
9. Tripartite agreement amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
10. Tripartite agreement amongst our Company, National Securities Depository Limited and Registrar to the Issue.

Any of the contracts or documents mentioned in this Draft 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 notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We/ I hereby certify that no statement made in this Draft Letter of Offer contravenes any of 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 there under. We/ I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by Securities and Exchange Board of India, Government of India and any other competent authority in this behalf, have been duly complied with.

We/ I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

Name of the Directors	Signature
Jay Mansukhbhai Sapariya Managing Director DIN No.: 10683245	Sd/- _____
Jay Rajeshbhai Patel Additional Executive Director DIN No.: 10623714	Sd/- _____
Mohitkumar Shailesh kumar Patel Additional Executive Director DIN No.: 10644334	Sd/- _____
Nilesh Ghanshyam Bide Additional Independent Non-Executive Director DIN No.: 06366702	Sd/- _____
Abhijeet Ramesh Dhanegaonkar Additional Independent Non-Executive Director DIN No.: 08395353	Sd/- _____
Hariprit Nitin Thorave Additional Executive Director DIN No.: 10359981	Sd/- _____
Tejesh Vilas Patil Additional Independent Non-Executive Director DIN No.: 09528338	Sd/- _____
Jitendra Parmar Additional Independent Non-Executive Director DIN No.: 09699769	Sd/- _____

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

Lokesh Rathi _____ Sd/-

Place: Chennai
Date: September 18, 2024