RED HERRING PROSPECTUS
Dated: March 16, 2022
(This Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 26 and 32 of the Companies Act, 2013
Book Built Issue

KRISHNA

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

(Formerly known as KRISHNA ALLIED INDUSTRIES LIMITED)
Corporate Identity Number: U74900MH2013PLC248021

Registered Office	Contact Person	Email and Telephone	Website
344, Floor-3, Plot-267, A To Z Industrial Estate, Ganapatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai, Maharashtra, 400013 India	Ms. Charmy Shah, Company Secretary & Compliance Officer	**Tel No:** +9122 4220 3800-99; **E-mail**: cs@krishnaallied.com;	www.krishnaallied.com

Promoter of Our Company: Mr. Ankur Ashwin Shah

DETAILS OF THE ISSUE

Type	Fresh Issue Size (In ₹ Lakhs)	OFS Size (by no. of shares or by amount in ₹)	Total Issue Size	Eligibility
Fresh Issue	₹ [•] Lakhs	Nil	₹ [•] Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.

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

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under ***"Basis for Issue Price"*** on page 96 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section ***"Risk Factors"*** beginning on page 29 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through this Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE Emerge) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE")

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
Hem Securities Ltd.	Mrs. Roshni Lahoti	**Email:** ib@hemsecurities.com **Tel. No.:** +91- 022- 49060000 **Fax No.:** +91- 022- 22625991

REGISTRAR TO THE ISSUE

Name	Contact Person	Email & Telephone
Bigshare Services Pvt. Ltd.	Mr. Swapnil Kate	**Email:**ipo@bigshareonline.com **Tel No.:**+91-022-62638200 **Fax No.:** +91-022-62638299

BID/ISSUE PROGRAMME

ANCHOR PORTION ISSUE OPENS/CLOSES ON: THURSDAY, MARCH 24, 2022	BID/ISSUE OPENS ON: FRIDAY, MARCH 25, 2022	BID/ISSUE CLOSES ON: TUESDAY, MARCH 29, 2022

Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Issue Opening Date.

RED HERRING PROSPECTUS
Book Built Issue
Dated: March 16, 2022
Please read Section 26 and 32 of the
Companies Act,2013

KRISHNA

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
(Formerly known as KRISHNA ALLIED INDUSTRIES LIMITED)
CIN: U74900MH2013PLC248021

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 in the name and style of "M/s. Krishna Industries", pursuant to a deed of partnership entered in 1997. Later the partnership firm was dissolved by mutual consent of the partners w.e.f March 31, 2002 vide dissolution deed dated April 01, 2002 and the business of M/s. Krishna Industries was taken over by Mr. Ankur Ashwin Shah as a Proprietor. Thereafter a deed of partnership dated April 05, 2011 was formed between Mr.Ankur Ashwin Shah, Late Mr. Ashwin Natwarlal Shah, Mr. Dilip Natwarlal Shah, Mr. Kiran Brijmohandas Shah, Mr. Chetan Kuberdas Dharia, M/s Krish Commodities (India) Private Limited and M/s Krish Industries Private Limited to admit as partners in the proprietorship business running in the name and style of "Krishna Industries" w.e.f April 01, 2011. Further "M/s Krishna Industries" was converted from partnership firm to a Private Limited Company under Part IX of Companies Act, 1956 in the name of "Krishna Allied Industries Private Limited" vide Certificate of Incorporation dated September 10, 2013, bearing registration No. 248021 issued by Registrar of Companies, Maharashtra, Mumbai. Subsequently our Company was converted from private limited company to public company vide special resolution passed by the shareholders of our Company on September 27, 2021. Thereafter the name of the Company was changed from "Krishna Allied Industries Private Limited" to "Krishna Allied Industries Limited" vide fresh certificate of incorporation issued by the Registrar of Companies, Maharashtra, Mumbai on October 20, 2021 having CIN: U74900MH2013PLC248021. Further the name of our Company was subsequently changed from "Krishna Allied Industries Limited" to "Krishna Defence and Allied Industries Limited" pursuant to a special resolution passed by the shareholders of our Company on November 01, 2021. A fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Maharashtra, Mumbai on December 07, 2021. For further details please refer to chapter titled ***"History and Certain Corporate Matters"*** beginning on page 148 of this Red Herring Prospectus.

Registered Office: 344, Floor-3, Plot-267, A To Z Industrial Estate, Ganapatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai, Maharashtra, 400013 India
Contact Person: Ms. Charmy Shah, Company Secretary & Compliance Officer
Tel No: +91 22 4220 3800/99**E-mail:** cs@krishnaallied.com; **Website:** www.krishnaallied.com
Promoter of our Company: Mr. Ankur Ashwin Shah

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF 30,48,000 EQUITY SHARES OF FACE VALUE OF RS.10/- EACH (THE "EQUITY SHARES") OF KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED ("OUR COMPANY" OR "KDAIL" OR "THE ISSUER") AT AN ISSUE PRICE OF RS. [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS("PUBLIC ISSUE") OUT OF WHICH 1,56,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 28,92,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HERE IN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.62% AND 25.26% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ENGLISH EDITION OF "BUSINESS STANDARD" (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND HINDI EDITION OF "BUSINESS STANDARD" (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND MUMBAI EDITION OF "NAVSHAKTI" MARATHI BEING THE REGIONAL LANGUAGE OF MUMBAI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50 % of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see ***"Issue Procedure"*** beginning on page 288 of this Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled ***"Issue Procedure"*** beginning on page 288 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under ***"Basis for Issue Price"*** on page 96 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section ***"Risk Factors"*** beginning on page 29 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through this Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE Emerge) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE")

BOOK RUNNING LEAD MANAGERTO THE ISSUE	REGISTRAR TO THE ISSUE
Hem Securities Ltd.	Bigshare Services Pvt. Ltd.
HEM SECURITIES LIMITED 904,A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, India **Tel. No.:** +91- 022- 49060000 **Fax No.: +**91- 022- 22625991 **Website:** www.hemsecurities.com **Email:** ib@hemsecurities.com **Investor Grievance Email:** redressal@hemsecurities.com **Contact Person :**Mrs. Roshni Lahoti **SEBI Regn. No.** INM000010981	**BIGSHARE SERVICES PRIVATE LIMITED** **Address:-**1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059 **Tel No.:**+91-022-62638200 **Fax No.:** +91 22 6263 8280 **Website:**www.bigshareonline.com **Email:**ipo@bigshareonline.com **Contact Person:** Mr. Swapnil Kate **SEBI Regn. No.:** INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: FRIDAY, MARCH 25, 2022	ISSUE CLOSES ON: TUESDAY, MARCH 29, 2022

Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Issue Opening Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956(" SCRA"), the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in the sections ***"Statement of Tax Benefits", "Financial Information of the Company" and "Main Provisions of the Articles of Association"*** *on page 99, 174 and 322 respectively, shall have the meaning ascribed to such terms in such sections.*

General Terms

Terms	Description
"KDAIL","the Company", "our Company", "Issuer" and "Krishna Defence and Allied Industries Limited"	Krishna Defence and Allied Industries Limited (formerly known as Krishna Allied Industries Limited), a Company incorporated in India under the Companies Act, 1956 having its registered office at 344, Floor-3, Plot-267, A To Z Industrial Estate, Ganapatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai – 400013, Maharashtra, India.
"we", "us" and "our"	Unless the context otherwise indicates or implies refers to our Company.
"you", "your" or "yours"	Prospective investors in this Issue

Company related and Conventional terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of Krishna Defence and Allied Industries Limited as amended from time to time.
Audit Committee	The Committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 as described in the chapter titled ***"Our Management"*** beginning on page 154 of this Red Herring Prospectus
Auditors/ Statutory Auditors	The Statutory Auditors of our Company being M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W)
Associate Companies	A body corporate in which our company has a significant influence and includes a joint venture company.
Banker to our Company	Axis Bank Limited.
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled ***"Our Management"*** beginning on page 154 of this Red Herring Prospectus.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Mr. Piyush Harjibhai Patel
Companies Act / Act	The Companies Act, 2013 and amendments thereto.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Ms. Charmy Shah (Membership No. ACS 63905)
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services

	(India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
DP/ Depository Participant	A depository participant as defined under the Depositories Act
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Equity Shares	Equity Shares of the Company of Face Value of Rs. 10/- each unless otherwise specified in the context thereof.
Executive Directors	Executive Directors are the Managing Director & Whole-time Directors of our Company.
Fraudulent Borrower	A fraudulent borrower as defined in Regulation 2(1)(lll) of the SEBI ICDR Regulations
FV	Face Value
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
Group Companies	Such Companies as are included in the Chapter titled ***"Our Group Companies"*** beginning on page 260 of this Red Herring Prospectus.
Independent Director	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, see ***"Our Management"*** on page 154 of this Red Herring Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	International Securities Identification Number. In this case being INE0J5601015
IT Act	The Income Tax Act, 1961 as amended till date.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled ***"Our Management"***on page 154 of this Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on November 26, 2021 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018 as amended from time to time.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Krishna Defence and Allied Industries Limited.
MD or Managing Director	The Managing Director of our Company, Mr. Ankur Ashwin Shah.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled ***"Our Management"*** beginning on page 154 of this Red Herring Prospectus
Non-Executive Director	A Director not being an Executive Director.
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act , 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Promoter(s)	Shall mean promoter of our Company i.e. Mr. Ankur Ashwin Shah. For further details, please refer to section titled ***"Our Promoter & Promoter Group"*** beginning on page 169 of this Red Herring Prospectus.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section ***"Our Promoter and Promoter Group"*** beginning on page 169 of this Red Herring Prospectus.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated

	organization, body corporate, corporation, company, partnership, limited liability company, limited liability partnership, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	The Registered Office of our Company situated at 344, Floor-3, Plot-267, A To Z Industrial Estate, Ganapatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai 400013, Maharashtra, India.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Statements	The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities as at September 30, 2021, March 31, 2021, 2020 and 2019 and the restated statements of profit and loss and the restated cash flows for the period ended September 30, 2021, March 31, 2021, 2020 and 2019 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC/ Registrar of Companies	Registrar of Companies, Mumbai.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI (PFUTP) Regulations / PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/SEBI Listing Regulations/Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled ***"Our Management"*** beginning on page 154 of this Red Herring Prospectus
Stock Exchange	Unless the context requires otherwise, refers to, NSE Limited.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA & AOA Mr. Ankur Ashwin Shah, Late Mr. Ashwin Natwarlal Shah, Mr. Dilip Natwarlal Shah , Mr. Kiran Brijmohandas Shah, Mr. Chetan Kuberdas Dharia, M/S Krish Commodities (India) Private Limited and M/S Krish Industries Private Limited.

Issue Related Terms

Terms	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a bidder as proof of

	registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Bidders.
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	A successful bidder to whom the Equity Shares are allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/Issue Period
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bid/Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Application Supported by Block Amount (ASBA)	Account maintained with an SCSB and specified in the Application form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid Amount in relation to a Bid by an ASBA Bidder
ASBA Account	Account maintained by the ASBA Bidder with an SCSB which will be blocked by such SCSB to the extent of the appropriate bid amount in relation to a bid by an ASBA Bidder
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process except Anchor Investor
ASBA Form/ Bid cum Application	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.
Bankers to the Issue/ Public Issue Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank Limited

Banker to the Issue Agreement	Agreement dated March 09, 2022 entered into amongst the Company, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the issue and which is described in the chapter titled ***"Issue Procedure"*** beginning on page 288 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bidding	The process of making a Bid.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter.
Bidder/ Investor	Any prospective investor who makes an application pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form.
Bid / Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in in all editions of the English national newspaper "Business Standard", all editions of Hindi national newspaper "Business Standard" and Mumbai Edition of Regional newspaper "Navshakti"where the registered office of the company is situated,, each with wide circulation, and in case of any revision, the extended Bid / Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid / Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper "Business Standard",, all editions of Hindi national newspaper "Business Standard"and Mumbai Edition of Regional newspaper "Navshakti"where the registered office of the company is situated,, each with wide circulation, and in case of any revision, the extended Bid / Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB's and Sponsor Bank, as required under the SEBI ICDR Regulations
Bid / Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid / Issue Opening Date and the Bid / Issue Closing Date or the QIB Bid / Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders
Bidding / Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process / Book	The book building route as provided under Schedule XIII of the SEBI (ICDR)

Building Method	Regulations, 2018 in terms of which this issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Hem Securities Limited SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centres notified by the Stock Exchanges, where the investors can submit the Bid-Cum-Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Bidder indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted
Client Id	Client Identification Number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut – off Price. QIBs (including Anchor Investor) and Non – Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the bidders such as their Address, PAN, name of the bidders father/husband, investor status, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time, being NSDL and CDSL.
Depository Participant/ DP	A Depository Participant as defined under the Depositories Act, 1996.
Designated Date	The date on which the funds blocked by the SCSBs are are transferred from ASBA Bidders to the Public Issue Account and/ or Refund Account and / or are unblocked, as applicable, in terms of Red Herring Prospectus
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid-Cum-Application Form from the Bidder and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidder can submit the Bid-Cum-Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Bidder can submit the Bid-Cum-Application Forms to RTAs.The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid-Cum-Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com

Designated Date	The date on which the funds from the Anchor Escrow Accounts, the funds blocked by the SCSBs and Sponsor Bank are transferred from ASBA Accounts specified by the ASBA Bidder to the Public Issue Account and/or Refund Account and/or are unblocked, as applicable in terms of RHP.
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depositary Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Hem Finlease Private Limited
Designated Stock Exchange	National Stock Exchange of India Limited ("NSE Emerge")
DP ID	Depository Participant's Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated February 11, 2022 filed with NSE Emerge
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs. 10.00 each
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus/ Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depositary participants.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/Applicant/Bidders	Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular number CIR/CFD/DIL/12/2013 dated October 23, 2013, notified by SEBI and updated pursuant to the SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI circular number CIR/CFD/DIL/1/2016 dated January 1, 2016, the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, the SEBI

	circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, the SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2019, and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the Book Running Lead Managers
Issue Agreement	The Agreement dated February 10, 2022 entered between our Company and Book Running Lead Manager, Hem Securities Limited.
Issue/Public Issue/Issue size/Initial Public Issue/Initial Public Offering/ IPO	The Public Issue of upto 30,48,000 Equity shares of Rs. 10/- each at issue price of Rs. [●]/- per Equity share, including a premium of Rs. [●]/- per equity share aggregating to Rs. [●] lakhs
Issue Price	The final price at which the Equity shares will be allotted in terms of the Red Herring Prospectus and the Prospectus, as determined by our company in consultation with BRLM on the Pricing date in accordance with the Book – Building process and the Red Herring Prospectus.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled ***"Objects of the Issue"*** beginning on page 90 of this Red Herring Prospectus
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE Emerge Platform. In our case, Hem Finlease Private Limitedis the sole Market Marker.
Market Making Agreement	The Market Making Agreement dated March 10, 2022 entered between our Company, Book Running Lead Manager and Market Maker,Hem Finlease Private Limited
Market Maker Reservation Portion	The reserved portion of 1,56,000 Equity Shares of Rs. 10each at an Issue price of Rs. [●] each is aggregating toRs. [●] Lakhs to be subscribed by Market Maker in this issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 28,92,000 equity Shares of Rs.10/- each at a price of Rs. [●] per Equity Share (the "Issue Price"), including a share premium of Rs. [●] per equity share aggregating to Rs. [●] Lacs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled ***"Objects of the Issue"*** beginning on page 90 of this Red Herring Prospectus.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non-Institutional Investors	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than Rs. 2,00,000/-
Non – Resident	A person resident outside India, as defined under FEMA Regulations.
Other Investor	Investors other than Retail Individual Investors. These include individual bidders

	other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Price Band	Price Band of a minimum price (Floor Price) of Rs. [●] and the maximum price (Cap Price) of Rs. [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and and shall be advertised in all editions of the English national newspaper "Business Standard", all editions of Hindi national newspaper"Business Standard" and Mumbai Edition of Regional newspaper "Navshakti",at least two working days prior to the Bid / Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price
Person / Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, *inter alia,* the Issue Price, size of the Issue and certain other information.
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the ASBA Accounts and from the Escrow Accounts in case of Anchor Investor(s), on the Designated Date.
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue comprising 14,43,000 Equity Shares which shall be allocated to QIBs (including Anchor Investors), on a proportionate basis, (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the Book Running Lead Managers), subject to valid Bids being received at or above the Issue Price
Red Herring Prospectus / RHP	This Red Herring Prospectus dated March 16, 2022 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which donot have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto
Refund Account	Account to which Application monies are to be refunded to the Bidders.
Refund Bank / Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being Axis Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable

Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate / Sub – Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on https://www.nseindia.com/members/MembershipDirectory.aspx
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Bigshare Services Private Limited
Registrar Agreement	The agreement dated December 16, 2021 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members"(except Syndicate/Sub-Syndicate Members) who hold valid membership either NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on the website of the Stock Exchange.
Regulations	SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2018.
Retail Individual Bidders / RIBs / Retail Individual Investors / RIIs	Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than Rs. 2,00,000/- in any of the bidding options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue, consisting of 10,14,000 Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid Cum Application Forms or any previous Revision Form(s), as applicable. QIBs and Non – Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI.
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
SEBI LODR/SEBI (Listing Obligations and Disclosure Requirement) Regulations/ Listing Regulations/	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015, as amended from time to time.
Self-Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
SME Exchange	SME Platform of the NSE i.e. NSE Emerge.
SEBI(PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Specified Securities	Equity shares offered through this Red Herring Prospectus.
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from

	time to time
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Sub Syndicate Member	A SEBI Registered member of NSE appointed by the BRLM and / or syndicate member to act as a Sub Syndicate Member in the Issue
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Agreement	The agreement dated March 10, 2022 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue
Syndicate Members / Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Hem Finlease Private Limited
Systemically Important Non – Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Bidder as proof of registration of the Application.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated March 10, 2022 entered between the Underwriter, BRLM and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account
"UPI Circulars"	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and any subsequent circularsor notifications issued by SEBI or any other governmental authority in this regard from time to time
UPI ID	ID created on Unified Payment Interface (UPI) for single window mobile payment system developed by the National Payment Corporation of India (NPCI)
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended

Venture Capital Fund/VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI (ICDR) Regulations, 2018.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, 2018,working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Bid/ Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) In respect to the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Technical and Industry Related Terms

Term	Description
ABS	American Bureau of Shipping
BMC	Bulk Milk Cooler
BOM	Bill of Materials
CO2	Carbon Di Oxide
Defence Application Products	The products used by military or armed forces in their operations including goods which are used in naval applications.
DPSU	Defence Public Sector Undertakings
DIPAS	Defence Institute for Physiology & Allied Sciences
DRDO	Defence Research & Development Organization
DMRL	Defence Metallurgical Research Laboratory
DMSRDE	Defence Material Stores Research & Development Establishment
DIPAS	Defence Institute for Physiology & Allied Sciences
DMRL	Defence Metallurgical Research Laboratory
DGQA	Directorate General of Quality Assurance
EOI	Expression Of Interest
FAT	Factory Acceptance Testing
HRU	Heat Recovery Unit
IED	Improvised Explosive Device
IRS	Indian Register of Shipping
IS	Indian Standard
MSMEs	Micro, Small & Medium Enterprises
MT	Metric Tonnes
NSIC	National Small Industries Corporation
NO2	Nitrogen Di Oxide
NDDB	National Dairy Development Board's
OEM	OriginalEquipmentManufacturer
OF	OrdnanceFactories
O&G	Oiland Gas
PHSteel	Precipitation Hardening Steel
PSUs	Public Sector Undertakings
QAPs	Quality Assurance Plan
R&D	Research and Development

RFP	Request for Proposal
RFI	Request for Information
R&DEE	Research & Development Establishment (Engineers)
SNF	Solids-Not-Fat
SIDM	Society of Indian Defence Manufacturers
SME	Small and Medium Sized Enterprises
SS	Stainless Steel
ToT	Transfer of Technology
T&E	Testing and Evaluation
UK	United Kingdom
WPI	Wholesale Price Index

Abbreviations

Abbreviation	Full Form
Rs. / Rs./ Rupees/ INR	Indian Rupees
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, along with the relevant rules made thereunder as amended.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act) along with the relevant rules made thereunder
CA	Chartered Accountant
CAD	Canadian Dollar
CAIIB	Certified Associate of Indian Institute of Bankers
CB	Controlling Branch
CC	Cash Credit

CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
C.P.C.	Code of Civil Procedure, 1908
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act,1952
EMI	Equated Monthly Installment
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	**"Foreign Portfolio Investor"** means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added

HUF	Hindu Undivided Family
HNI	High Net Worth Individual
HSL	Hem Securities Limited
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IOCL	Indian Oil Corporation Limited
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LLB	Bachelor of Law
Ltd.	Limited
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
M. A	Master of Arts
MCA	Ministry of Corporate Affairs, Government of India
M. B. A	Master of Business Administration
MAT	Minimum Alternate Tax
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
MAPIN	Market Participants and Investors Database
NA	Not Applicable
NCLT	National Company Law Tribunal
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer

NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory
NPV	Net Present Value
NRIs	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
Rs. or Rs.	Rupees, the official currency of the Republic of India
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
SCSB	Self-Certified syndicate Banks
SEBI	Securities and Exchange Board of India
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
UIN	Unique identification number
US/United States	United States of America
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America

U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
-, (₹)	Represent Outflow

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act 1996 and the rules and regulations made thereunder.

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

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

Certain Conventions

All references in the Red Herring Prospectus to "India" are to the Republic of India. All references in the Red Herring Prospectus to the "U.S.", "USA" or "United States" are to the United States of America.

In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore". In this Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, throughout this Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our restated financial statements prepared for the stub period ended on September 30, 2021 and financial year ended 31st March 2021, 2020 and 2019 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled ***"Financial Information of the Company"*** beginning on page 174 of this Red Herring Prospectus.

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

Any percentage amounts, as set forth in ***"Risk Factors"***, ***"Our Business"***, ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** and elsewhere in the Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Auditor, set out in section titled ***"Financial Information of the Company"*** beginning on page 174 of this Red Herring Prospectus. There are no subsidiaries of our Company as on date of the Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

For additional definitions used in this Red Herring Prospectus, see the section ***"Definitions and Abbreviations"*** on page 1 of this Red Herring Prospectus. In the section titled ***"Main Provisions of the Articles of Association"***, on page 322 of the Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

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

Although, we believe industry and market data used in the Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled ***"Basis for Issue Price"*** on page 96 of the Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

Currency of Financial Presentation

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

Any percentage amounts, as set forth in ***"Risk Factors"***, ***"Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations"*** on page 29, 118 and 241 of this Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

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

FORWARD LOOKING STATEMENTS

This Red Herring Prospectus includes certain "forward-looking statements". We have included statements in the Red Herring Prospectus which contain words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward-looking statements". Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

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

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in consumer demand and preferences
- Decline or reprioritization of the Indian Defence Sector
- Failure to successfully upgrade our product portfolio, from time to time;
- Any change in government policies resulting in increases in taxes payable by us;
- Our ability to retain our key managements persons and other employees;
- Changes in laws and regulations that apply to the industries in which we operate.
- Our failure to keep pace with rapid changes in technology;
- Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
- General economic, political and other risks that are out of our control;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Company's ability to successfully implement its growth strategy and expansion plans;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Inability to successfully obtain registrations in a timely manner or at all;
- Occurrence of Environmental Problems & Uninsured Losses;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- Any adverse outcome in the legal proceedings in which we are involved; and
- Concentration of ownership among our Promoters.
- The performance of the financial markets in India and globally.
- Impact of covid-19 on our business and operations.

For further discussion of factors that could cause our actual results to differ, see the Section titled ***"Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations"*** beginning on page 29, 118 and 241 respectively of the Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company, our Directors, our Officers, Book Running Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances

arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II: SUMMARY OF RED HERRING PROSPECTUS

PRIMARY BUSINESS OF THE COMPANY

We are engaged in the diversified business ofmanufacturing defence application products, dairy equipment products and kitchen equipments. We have entered into various licensing agreement with Defence Research and Development Organisation ("DRDO") for obtaining the know-how and rights which enable us to manufacture and supply specialized defence application products for the Indian Armed Forces.Over the years our company has developed a wide range of Dairy Equipment products like: Stainless Steel Milk Cans, Milk Cooling Tanks or Bulk Milk Coolers, Milking Machine, Cow Brooming Brush and Robotic Milk Collection Unit.

SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

India accounts for 3.7% of the global military spending, making it the third highest military spender in the world. The defence expenditure constituted 2.9% of India's total GDP with approximately $72.9 billion spent on defence in 2020. With the growing demand in the defence sector the government has identified it as one of the core areas to boost 'Atma Nirbhar Bharat or Self-Reliant India. The Government has also spelt out its vision of achieving a turnover of $25 bn including export of $5 bn in Aerospace and Defence goods and services by 2025.

NAME OF PROMOTERS

The Promoter of our Company is Mr. Ankur Ashwin Shah.

SIZE OF THE ISSUE

The Issue comprises of a Fresh Initial Public Issue of upto 30,48,000 equity shares of face value of ₹ 10/- each (The "Equity Shares") for cash at a price of ₹ [●]/- per Equity Shares (including a premium of ₹ [●]/- per Equity Share) aggregating to ₹ [●] Lakhs ("the Issue") by our Company of which 1,56,000 Equity Shares of ₹ 10 each aggregating to ₹ [●] Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion") and a Net Issue to public of 28,92,000 Equity Shares of ₹ 10 each aggregating to ₹ [●] Lakhs. The Issue and the Net Issue will constitute 26.62 % and 25.26 % respectively of the post issue paid up Equity Share Capital of the Company.

OBJECTS OF THE ISSUE

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

Sr. No	Particulars	Amt (₹ in Lakh)
1.	Working Capital Requirement	900.00
2.	General Corporate Purpose	[●]
3.	Issue Expenses	[●]
	Total	**[●]**

PRE-ISSUE SHAREHOLDING OF PROMOTER AND PROMOTER GROUP

The aggregate pre-issue shareholding of the promoter and promoter group as a percentage of the paid-up capital of the issuer is as below-

Name	No. of Equity Shares	% of Pre Issue paid up Equity Shares
(A) Promoter		
Mr. Ankur Ashwin Shah	52,53,890	62.55
Total (A)	**52,53,890**	**62.55**
(B) Promoter Group		
Mrs. Pallavi Ashwin Shah	16,33,710	19.45

Name	No. of Equity Shares	% of Pre Issue paid up Equity Shares
Krish Industries Private limited	8,40,000	10.00
Krish Commodities(India) Private limited	5,88,000	7.00
Mrs. Preyal Ankur Shah	84,000	1.00
Ankur Shah HUF	200	0.00
Ashwin Shah HUF	200	0.00
Total (B)	**31,46,110**	**37.45**
GRAND TOTAL	**84,00,000**	**100.00**

SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated financial statements for past 3 years and stub period in tabular format:

(Amt. in Lakhs)

Sr. No.	Particulars		Year ended		
		September 2021	2021	2020	2019
1.	Paid up Share Capital	840.00	420.00	420.00	420.00
2.	Net worth	1,924.89	1,802.78	1,609.13	1,534.52
3.	Total Income	2,098.20	3,618.84	2,572.37	5,890.85
4.	Profit After Tax	122.11	193.65	74.61	206.44
5.	Earnings Per Share – Basic & Diluted	1.45	2.31	0.89	2.46
7.	NAV per Equity Shares (Based on Actual Number of Shares)	22.92	42.92	38.31	36.54
8.	NAV per Equity Shares (Based on Weighted Average Number of Shares)	22.92	21.46	19.16	18.27
9.	Total Borrowings (As per Restated Balance Sheet)	2,357.34	2,557.37	2,567.68	2,734.65

AUDITORS QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

OUTSTANDING LITIGATIONS

Litigations involving our Company:-

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
Against the Company		
Statutory/Regulatory Laws	1	Unascertainable
Filed by the Company		
Statutory/Regulatory Laws	1	Unascertainable
Taxation Liabilities (Indirect Tax Cases)	1	36.32
Others	1	77.84

Litigations involving our Promoter and Directors:-

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
Against the Directors		
Taxation Liabilities (Direct Tax)	2	6.16
Taxation Liabilities (Indirect Tax)	1	4.01

RISK FACTORS

Please see ***"Risk Factors"*** beginning on page 29 of this Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF THE COMPANY

Following is the summary of the Contingent Liabilities of the Company for the stub period ended on September 30, 2021 financial years ended on March 31, 2021, 2020 and 2019: -

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(i) Contingent Liabilities				
(a) On account of Litigations				
(a) Value Added Tax (VAT)	-	-	3.57	3.57
(b) Central Sales Tax (CST)	36.32	36.32	6.30	6.30
(b) Bank Guarantees issued by bank on behalf of Company for which company has issued counter guarantee	1,384.30	1,219.54	1,223.37	1,302.12
(c) On account of other contingent claims	77.84	77.84	-	-
(ii)Commitments				
(a) Estimated amount of Contracts to be executed on capital account and not provided for net of capital advance	4.84	2.35	23.76	55.64
(b) Other Commitments	-	-	-	-

For detailed information on the Contingent Liabilities on our Company, please refer ***"Note 28A"*** appearing on pageof this Red Herring Prospectus under Chapter titled ***"Restated Financial Information"*** beginning on Page 209 of this Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

Related Party Disclosure:

Details of related parties:	
Description of relationship	**Names of related parties**
Key Management Personnel (KMP)	(a) Late Mr. Ashwin Natwarlal Shah (up to 06th November, 2019)
	(b) Mr. Ankur Ashwin Shah, Managing Director
	(c) Mr.Sandeep Ramrao Kadam, Whole time Director
	(d) Mr. Suvendu Banerjee, Whole time Director
	(e) Mr. Vasant Modak (Up to 23rd August, 2021)
	(f) Mrs. Pallavi Ashwin Shah(Up to 30th January, 2020)
	(g) Mrs. Preyal Ankur Shah, Non-Executive Director (Up to 14th December, 2021)
	(h) Mrs. Preyal Ankur Shah, Additional Director Non-Executive Director and Chairperson (w.e.f. 11th January, 2022)
	(i) Mr. Jaykumar Toshniwal, Independent Director (w.e.f. 23rd August, 2021)
	(j) Mr. Divyakant Ramniklal Zaveri, Independent Director (w.e.f. 23rd August, 2021)
	(k) Ms. Charmy Shah, Company Secretary (w.e.f. 22nd October, 2021)

	(l) Mr. Piyush Harjibhai Patel, Chief Financial Officer (w.e.f. 23rd August, 2021)
Relatives of KMP	(a) Mrs. Pallavi Ashwin Shah (From 31st January, 2020)
	(b) Mrs. Amisha Savjani
	(c) Mr Chetan Dharia
	(d) Mrs. Sarojini Kadam
	(e) Mrs. Rakhi Banerjee
	(f) Mrs. Foram Patel
Enterprise in which KMP / Relatives of KMP or Directors can exercise significant influence	(a) Krish Industries Private Limited
	(b) Krish Commodities Private Limited
	(c) Hindustan Cables & Wires
	(d) White Gold Technologies LLP
	(e) Ankur A Shah (HUF)
	(f) Ashwin N Shah (HUF)
	(g) Shah Engineering (Proprietor Ashwin Shah (HUF))
	(i) Shah Innovators (Proprietor Ankur Shah (HUF))
Note: Related parties have been identified by the Management.	

Details of related party transactions and balances outstanding

1. Details of related party transaction during the year:

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
Remuneration to Directors & Key Managerial Personnel				
Late Ashwin Natwarlal Shah	-	-	80.00	90.00
Ankur Ashwin Shah	60.00	120.00	120.00	90.00
Pallavi Ashwin Shah	-	-	4.00	-
Sandeep Ramrao Kadam	6.12	12.46	13.67	11.97
Suvendu Banerjee	5.15	11.28	11.91	10.89
Piyush Harjibhai Patel	1.02	-	-	-
Professional charges to Key Managerial Personnel				
Vasant Modak	0.90	1.80	2.10	1.80
Salary to Relatives of Directors and Key Managerial Personnel				
Pallavi Ashwin Shah	-	-	4.00	-
Chetan Dharia	2.40	4.80	4.80	4.80
Sarojini Kadam	3.68	7.14	7.55	6.62
Rakhi Banerjee	3.00	5.57	6.00	5.21
Foram Patel	0.36	-	-	-
Loan Taken				
Late Ashwin Natwarlal Shah	-	9.90	13.60	416.65
Ankur Ashwin Shah	263.75	297.69	159.90	145.92
Pallavi Ashwin Shah	-	35.13	74.96	262.90
Preyal Ankur Shah	12.55	19.59	34.55	17.40
Krish Commodities Private Limited	31.85	32.00	32.85	33.25
Ankur Shah (HUF)	5.50	163.06	90.84	0.45

Ashwin Shah (HUF)	-	169.84	63.25	20.55
Loan Repaid				
Late Ashwin Natwarlal Shah	80.60	88.66	9.66	349.76
Ankur Ashwin Shah	91.52	204.09	251.99	162.63
Pallavi Ashwin Shah	5.81	275.44	68.64	43.68
Preyal Ankur Shah	27.25	15.05	58.32	19.18
Krish Commodities Private Limited	-	32.00	32.85	33.25
Ankur Shah (HUF)	36.05	98.20	61.45	5.77
Ashwin Shah (HUF)	17.32	105.47	25.55	12.42
Interest on unsecured loan				
Ashwin Shah (HUF)	6.21	9.55	-	-
Ankur Shah (HUF)	6.01	7.85	-	-
Pallavi Ashwin Shah	4.60	27.73	-	-
Preyal Ankur Shah	1.48	3.24	-	-
Purchase				
Krish Industries Pvt Ltd	414.06	198.32	261.91	393.27
White Gold Technologies LLP	3.91	2.37	7.24	0.18
Sales				
Krish Industries Pvt Ltd	0.03	1.35	27.28	1.20
White Gold Technologies LLP	29.03	28.59	10.45	5.41
Commission Expenses				
Krish Industries Pvt Ltd	-	-	29.18	36.87
Job work Charges				
Krish Industries Pvt Ltd	-	0.34	0.05	-
Rent Expenses				
Krish Industries Pvt Ltd	13.80	27.60	24.00	24.00
Hindustan Cables & Wires	-	-	-	3.00
Rent Income				
White Gold Technologies LLP	1.20	2.40	2.40	2.40
Reimbursement of Electricity expenses				
Krish Industries Pvt Ltd	24.78	30.89	21.18	15.59

2. Details of related party balances outstanding during the year:

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Remuneration Payable				
Late Ashwin Natwarlal Shah	-	-	54.00	-
Ankur Ashwin Shah	5.55	81.00	71.00	-
Sandeep Ramrao Kadam	0.87	1.02	0.87	0.84
Suvendu Banerjee	0.70	0.86	0.80	0.61
Piyush Harjibhai Patel	0.79	-	-	-
Salary Payable				
Pallavi Ashwin Shah	-	-	7.40	-

Chetan Dharia	0.40	0.40	0.40	0.40
Sarojini Kadam	0.58	0.58	0.53	0.49
Rakhi Banerjee	0.49	0.49	0.50	0.41
Foram Patel	0.28	-	-	-
Amount Payable				
Late Ashwin Natwarlal Shah	228.63	309.23	387.99	384.06
Ankur Ashwin Shah	418.73	246.51	152.91	245.00
Pallavi Ashwin Shah	104.14	105.35	345.65	339.32
Preyal Ankur Shah	26.53	39.75	35.21	58.97
Krish Commodities Private Limited	31.85	-	-	-
AnkurShah (HUF)	116.34	141.48	76.62	47.23
Ashwin Shah (HUF)	174.21	185.94	121.57	83.87
Trade Payable				
Krish Industries Pvt Ltd	266.78	-	-	65.74
Hindustan Cables & Wires	0.53	0.53	0.58	1.22
Vasant Modak	0.14	0.22	-	-
Trade Receivable				
White Gold Technologies LLP	189.18	234.06	124.46	14.75
Krish Industries Pvt Ltd	93.27	26.12	81.58	-
Deposits				
Krish Industries Pvt Ltd - Rent Deposit	10.00	10.00	10.00	10.00
Hindustan Cables & Wires - Rent Deposit	0.51	0.51	0.51	0.51

For detailed information on the related party transactions executed by our Company, please refer ***"Note 29B"*** appearing on page 213 of this Red Herring Prospectus under Chapter titled ***"Restated Financial Information"*** beginning on page 174 of this Red Herring Prospectus.

FINANCING ARRANGEMENTS

The promoter, members of the promoter group, the directors of the companyand their relatives have not financed the purchase of securities of the Company by any other person other than in the normal course of the business during the period of six months immediately preceding the date of this Red Herring Prospectus.

WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTER IN THE ONE YEAR PRECEDING THE DATE OF THIS RED HERRING PROSPECTUS

Weighted average price at which the Equity Shares were acquired by our Promoter in Last one year:

Sr. No.	Name of Promoters	Total No. of Equity Shares	Nature of Allotment	Weighted Average Price* (in ₹ per equity share)
1.	Mr. AnkurAshwin Shah	26,26,945	Bonus Issue of Equity Shares in the ratio of 1:1	Nil

**The Weighted Average Price for Equity Shares acquired during last one year has been calculated by taking into account the amount paid by the Promoter to acquire, by way of fresh issuance or transfer, the Equity Shares and the net cost of acquisition has been divided by total number of shares acquired during last one year.*

AVERAGE COST OF ACQUISITION OF SHARES FOR PROMOTER

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr.AnkurAshwin Shah	52,53,890	5.25

[*] *The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date.*

DETAILS OF PRE-ISSUE PLACEMENT

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

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

Except for the details of Bonus Issue mentioned below, we have not issued Equity Shares for consideration other than cash in the preceding one year.

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
September 24, 2021	42,00,000	10	-	Bonus in the ratio of 1:1 i.e. 1Equity Share for every 1 Equity Share held	Capitalization of Reserves & Surplus*	Mr.AnkurAshwinShah	26,26,945
						Mrs.PallaviAshwin Shah	8,16,855
						Krish Industries Private limited	4,20,000
						KrishCommodities (India) Private limited	2,94000
						Mrs.PreyalAnkur Shah	42,000
						Ankur Shah HUF	100
						Ashwin Shah HUF	100

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Red Herring Prospectus.

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

As on date of the Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI

SECTION III: RISK FACTORS

An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Red Herring Prospectus, particularly the ***"Financial Information of the Company"*** *and the related notes,* ***"Our Business"*** *and* ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** *on page 174, 118 and 241 respectively of this Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

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

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

Materiality

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

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

Note:

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

In this Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in ***"Risk Factors"*** *on page 29 and* ***"Management Discussion and Analysis of Financial Condition and Results of Operations"*** *on page 241 of this Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the* ***"Restated Financial Statements"****.*

1. ***Our business of manufacturing and supply of Defence Application products for Indian Armed Forces is largely dependent on Transfer of Technology (TOT) contracts awarded to our company for each type of product by***

Defence Research & Development Organisation (DRDO) and associated entities for it's development. Such agreements are usually valid for a period of 5 to 10 years and if such agreements are terminated or not renewed at favourable terms, our operations may be adversely affected.

We are largely dependent on Transfer of Technology contracts awarded to our company to develop, manufacture and sell specific defence application products to Indian Armed Forces. Our Company has entered into various licensing agreement for manufacturing products such as: bulb bars, food container, improved space heating device or bukhari, improvised explosive device (IED) containment vessel, man mounted cooling system, solar snow melter and mounting and support equipment for camouflage net. These agreements are usually awarded for a period of 5 years to 10 years of validity therefore if these agreements are not renewed on terms favourable to our company we may not be able to continue our defence business operations. Some of the products for which Transfer of Technology has been awarded to our company by DRDO are under the stage of development and if we are unable to successfully develop or deliver such products, it may affect our reputation and future business operations.

Moreover, these Agreements set out various terms and conditions which are required to be strictly adhered to by our Company. Any failure to comply with these obligations and covenants may have a material adverse effect on our business, prospects, cash flows and financial condition. These Agreements can be terminated or revoked by DRDO for breach of any of the said terms and conditions. Our business operations will be largely affected in case of revocation or termination of such agreements and our company will have no claim on the TOT Fees, Royalty Fees etc if any given to DRDO. Further these agreements may be terminated prematurely under various circumstances beyond our control. We have limited ability to negotiate on the terms of these agreements and may have to accept unusual or onerous provisions. Considering the nature of our business activities, our Company shall consistently make all efforts to procure new TOTs for diversified products to expand our business operations. Thus in the event of termination of the said agreements or in case of failure to procure new agreements or to renew the said agreements at favourable terms or failure to renew them at all, our business operations may be affected.

2. ***Our business segment of defence is largely dependent on contracts from the GoI and associated entities including defence public sector undertakings and government organizations involved in related line of procurements. Any reduction in business from them may adversely affect our business, financial condition, results of operations and future prospects.***

We are engaged in the business of developing and manufacturing of defence application products and dairy and kitchen equipment products. For the stub period ended on September 30, 2021 and FY 20-21 our revenue from defence sector business was Rs 1,258.32 lakhs, Rs 2,432.23 lakhs respectively which constituted 60.74% and 69.44% of total revenue of operations and that from dairy and kitchen equipment manufacturing business was Rs 813.23 lakhs, Rs 1,070.43 lakhs respectively which constituted 39.26% and 30.56% of total revenue of operations.

Our revenue from defence sector business is highly dependent on projects and programmes undertaken by GoI and associated entities, such as defence public sector undertakings and government organizations involved in defence and associated activities(collectively, the "**GoI Owned Entities**"). As our business is currently concentrated to orders received from GOI owned entites any adverse development with such customers, including as a result of a dispute with or disqualification by such customers, may result in us experiencing significant reduction in our business operations in defence sector. If our customers are able to fulfil their requirements through any of our existing or new competitors, providing products with better quality and / or cheaper cost, we may lose significant portion of our business. Additionally, consolidation of any of our customers may also adversely affect our existing relationships and arrangements with such customers, and any of our customers that are acquired may ceaseto continue the businesses that require products manufactured by us.

There can be no assurance that we will always win the applied tenders. Consequently, there is no commitment on the part of our customers to continue to place orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. Further, we do not have any other customers for the surplus or excess capacity, in which case we may be forced to incur a loss.There is no assurance that GoI Entities will continue to engage us and that we will continue to sustain the general level of revenue that we have secured in the past. Further,

any adverse change in the GoI policy may lead to cancellation or slowdown of our orders and could have a material adverse effect on our business, results of operations and financial conditions.

3. ***Any failure to comply with the provisions of the contracts entered with our customers, especially the GoI owned entities or cooperative milk unions/federations, could have an adverse effect on our business operations, financial condition and results of our operations.***

The contracts entered with our customers, especially GoI Entities or the milk cooperative unions or the dairy organisations, contain onerous obligations and are subject to laws which give them certain rights and remedies including without limitation to the following:

- terminate existing contracts for default, delays or force majeure conditions;
- demand encashment of warranty;
- reduce orders under, or otherwise modify, contracts or sub-contracts;
- imposition of liquidated damages, late delivery charges etc

In the event that our customers enforce any of the above provisions, it could have an adverse effect on our business operations, financial conditions and results of our operations. Apart from the above, most of the contracts with our customers require our Company to pay liquidated damages in the event of delay in delivery or defect in quality of products. The value of the liquidated damages typically ranges from 5% to 10% of the value of the contract value.For the six months period ended September 30, 2021 and the Fiscals ended 2021, 2020 and 2019 we have paid late delivery charges amounting to ₹ 0.34lakhs, ₹ 10.31 lakhs, ₹ 24.24 lakhs and ₹ 6.28 lakhs, respectively, to our customers respectively. Further, the loss of anticipated funding or the termination of multiple or large programmes by the GoI owned entities could have an adverse effect on our future revenues and earnings. We cannot assure you that in future such contracts can be completed profitably or on terms that are not commercially acceptable to us. Any time and/or cost overruns on our contract or imposition of liquidated damages could have a material adverse effect on our business, results of operations and financial condition.

4. ***We are subject to strict quality requirements, customer inspections and audits, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our reputation and our business and results of operations and future prospects.***

We develop and manufacture complex and specialised components in defence sector based on specific requirements stipulated by them. Given the nature of our products and solutions, and the sector in which we operate, we believe that our customers have high standards for product quality and delivery schedules. Adherence to quality standards is a critical factor as a defect in products and solutions manufactured by our Company or failure to comply with the specifications of our customers may, in turn, lead to the manufacture of faulty end-products. This may lead to cancellation of supply orders or non-renewal of agreements by our customers and at certain instances may impose additional costs in the form of product liability and/or product recall. Further our facilities, process and products are exposed to regular inspection and audits by our customers to ensure that their internal standards are appropriately met. Any non-compliance observed during inspection/audit may have an adverse impact on our business, financial condition, results of operations and future prospects.

We are also manufacturing dairy equipment products and kitchen equipments and strictly need to adher to quality norms to ensure food safety. Any damage or defect in our product could lead to contamination or spoilage of milk or food intended for human consumption. Although we conduct various tests before procurement of raw materials, there can be no assurance that such testing and verification on quality of the raw material checks conducted by us will be accurate at all times.While we have put in place quality control procedures, we cannot assure you that our products will always be able to satisfy our customers' quality standards. Our quality control procedures may fail to test for some possible conditions of use. Any such failure to identify defects could require us to undertake service actions or component recalls. Any defect in our products could also result in customer claims for damages or us bearing product warranty costs or additional financial exposure. Any negative publicity regarding our Company or our products could adversely affect our reputation, our operations and our results from operations.

5. ***We depend on our technical expertise and R&D initiatives to develop new products and/or improve our existing products and if we are unable to keep our technical knowledge and process know-how confidential or if our R&D initiatives do not succeed, we may suffer loss of our competitive advantage. Moreover if we are unable to protect the rights under Patent acquired by our company pursuant to our R&D activities, it may adversely affect our competitive business position and profitability***

We possess extensive technical knowledge about our products. We have gained such technical knowledge through our own experiences, R&D initiatives undertaken to develop our dairy and defence equipment products. While we are subject to strict confidentiality, non-disclosure and non-compete obligations under the respective agreements, if such technical knowledge is not protected we may lose our competitive edge. Even if all reasonable precautions, whether contractual or otherwise, are taken to protect the confidential and technical knowledge of our products and business, there is a risk that certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the manufacturing process. Some members of our team have access to confidential design and product information and there can be no assurance that this information will remain confidential.

Further the development and commercialization of improved and/or new products is complex, time-consuming and costly, and its outcome is inherently uncertain. Accordingly, we have committed substantial effort, funds and other resources towards R&D activities. We cannot guarantee that the improved and/or new products we will introduce in the future will be successful or will continue to be successful. Our ongoing investments in new product launches and research and development for future products could result in higher costs without a proportionate increase in revenues. There can be no assurance that our expenditure on research and development activities will yield proportionate results or that commercially viable products may be developed or launched as a result of such research and development activities. In the event that such products are unsuccessful, we may lose some or all of the investments that we have made in developing them, which could have an adverse effect on our financial position, business operations, results of operations and future prospects.

Moreover, our R&D activities led to successful development of Automated Milk Analysis and Collection Apparatus called Robotic Milk Collection Unit for which our company acquired Patent Registration, in accordance with the provisions of the Patents Act,1970 for a term of 20 years. In the event of infringement of our patent by third parties we may not be able to protect our right that gives us an additional edge to exclusively manufacture one of our products, Robotic Milk Collection Unit. Obtaining, protecting and defending such patent rights can be time consuming and expensive, and mayrequire us to incur substantial costs, including the diversion of the time and resources of management and technicalpersonnel.

6. ***Our business is dependent on our manufacturing facilities and we are subject to certain risks in our manufacturing process.Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations.***

We have two manufacturing facilities located at Kalol and Halol near Vadodara, Gujarat. Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe climate conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair breakdown of machinery in a timely manner or at all, our operations may need to be suspended until we procure new machinery to replace the same. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades.

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply

shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect our business, cash flows, financial condition and results of operations

Although we have not experienced any significant disruptions at our manufacturing facilities in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations and financial condition. Any slowdown or shutdown in our manufacturing operations or underutilization of our manufacturing facilities could have an adverse effect on our business, results of operations and financial condition.

7. ***We may not qualify for or win bids to secure potential order, which may have an adverse effect on our business, financial condition, results of operations and prospects.***

Our business and growth depends on our ability to qualify for and win bids undertaken by GoI Entities for awarding defence contracts and by the cooperative milk unions/federations or other dairy organisations for awarding dairy equipment orders. Our Company obtains a majority of its business through a competitive bidding process in which it competes for contracts based on, among other things, pricing, technical and technological expertise, reputation for quality, financing capabilities and track record. The bidding and selection process is affected by a number of factors, including factors which may be beyond our control, such as market conditions, project delays, external economic or political factors. Any increase in competition during the bidding process or reduction in our competitive capabilities could have a material adverse effect on our market share. There can be no assurance that our current or potential competitors will not offer products and solutions comparable or superior to those that we offer at the same or lower prices, adapt more quickly to industry challenges, or expand their operations at a faster pace than we do.

Increased competition may result in price reductions, reduced profit margins and loss of market share, thereby causing an adverse effect on our operations, prospects and financial condition. In addition to meeting bid capacity requirements, we may also be required to pre-qualify for the orders from public sector undertakings such as in relation to background checks and prior experience of the bidders. However, we cannot assure that we shall always maintain our bid capacity and our pre-qualification capabilities, and that we shall be able to continually secure projects so as to enhance our business operations, financial performance and results of operations. Further, such pre-qualification criteria may also change from time to time. Our inability to fulfil and maintain the bid and prequalification capabilities may materially impact our operating revenue and profitability.

8. ***An increase in raw material costs or other input costs or loss of any of our suppliers due to delayed payments or otherwise, resulting in shortfall in the supply of our raw material may adversely impact the pricing and supply of our products and have an adverse effect on our business.***

Our operations are impacted by the availability and cost of raw materials utilised in our manufacturing process. Any change in cost and availability of such raw materials for any reason, including change in the approved suppliers, change in law or applicable governmental policies, would adversely affect our business, financial condition, results of operations and prospects. The main raw materials required in manufacturing our defence, dairy and kitchen equipment are special steel & stainless steel and therefore any fluctuation in prices of steel could affect our profit margins. Our raw material suppliers may fail to deliver products of acceptable quality and within stipulated schedules or at all. We do not have any formal agreements with our vendors/suppliers as we operate on a purchase order system. Due to the absence of any formal contract with our vendors/suppliers, we are exposed to the risks of irregular supplies or no supplies at all or delayed supplies or volatility in the prices of raw materials that we normally procure. We may be required to replace a supplier if the products provided or supplied, do not meet our quality or performance standards. Further, increase in competition may lead to our competitors establishing exclusive arrangements with our suppliers due to which we may be unable to secure an adequate supply of raw materials or which may increase our overall cost of raw materials, which we may not be able to determine from our customers. While we are not significantly dependent on any single raw material supplier, raw material supply and

pricing can be volatile due to a number of factors beyond our control, including global demand and supply, economic and political conditions, transportation and labour costs, disruption during transportation, labour unrest, natural disasters etc. This volatility in commodity prices can significantly affect our raw material costs.

Further our Company has outstanding dues of trade payables for the Stub period ended on September 30, 2021 and Fiscal Years ended 20-21, 19-20 and 18-19 for Rs. 986.30 lakhs, Rs. 672.91 lakhs, Rs 1071.99 lakhs and Rs. 1699.49 lakhs respectively. Any delay in payment to our creditors may impact our long standing relations with our suppliers and may result in stoppage of timely or at all delivery of raw material. Any such disruption would impact the production and overall financial position of our Company.

9. ***Our business is substantially dependent on our ability to accurately carry out the pre-bidding studies for potential contracts. Any deviation during the execution of the contract as compared to our pre-bid estimates could have a material adverse effect on our cashflows, results of operations and financial condition.***

We carry out the pre-bidding analysis for the potential contracts considering various elements including financial and technical factors. However, such analysis may not enable us to assure the accuracy of such studies. The accuracy of the pre-bidding studies is dependent on the key elements like preparing requirement of raw materials, adherence to manufacturing processes, complying to quality standards, planning to meet delivery schedules etc. Any deterrence or deviation in the estimation and calculation of the key elements may hamper the quality of the pre-bid analysisrelied upon before submitting any tenders. Any deviation during the implementation and operation of the contract as compared to our pre-bid estimates could have a material adverse effect on our cash flows, results of operations and financial condition.

10. ***Our Company and Promoter and Directors are involved in certain legal proceedings and potential litigations. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties/prosecutions and may adversely affect our business and results of operations.***

Our Company and Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, and government departments. The summary of outstanding litigation in relation to taxation matters, statutory or regulatory laws filed by or against our Company and Directors have been set out below.

Litigations involving our Company:-

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
Against the Company		
Statutory/Regulatory Laws	1	Unascertainable
Filed by the Company		
Statutory/Regulatory Laws	1	Unascertainable
Taxation Liabilities (Indirect Tax Cases)	1	36.32
Others	1	77.84

Litigations involving Promoter and Directors:-

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)
Against the Directors		
Taxation Liabilities (Direct Tax)	2	6.16
Taxation Liabilities (Indirect Tax)	1	4.01

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Red Herring Prospectus

For further details, see ***"Outstanding Litigation and Material Developments"*** beginning on page 250 of this Red Herring Prospectus. Any adverse decisions in the aforesaid proceedings may have a material effect on our business, future financial performance and results of operations. If the courts or tribunals rule against our Company or our Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

11. There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 1956/2013. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate and other law could impact the reputationand financial position of the Company to that extent.

Our company has missed to comply with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor There are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes clerical errors in the Annual Returns filed by our Company with the ROC in past years. The Company has not filed certain ROC forms such as Form CHG-1 for creation of vehicle loans taken in the past which inter-alia includes non-compliance of Section 77 of the Companies Act, 2013 and is subject to penalty under section 86 and/or other relevant provision(s) of Companies Act, 2013, as maybe applicable, however as on date of the Red Herring Prospectus all such car loans have been repaid by our company.Thereafter pursuant to meeting the threshold limit for preparing Cost Records, our Company failed to prepare the same from FY 2017-18 under section 148 of Companies Act 2013, however the same for FY 20-21 has been prepared. The Cash Flow Statements has not been attached in the Form AOC-4 filed by the Company for F.Y. 2014-15. The company had not filed the form AOC – 5 for maintaining its books of accounts at Kalol, however the same is now maintained at its regional office at Vadodara and the requisite form AOC – 5 for the same is filed. We have also observed some discrepancies in relation to appointment of Directors like improper resolutions due to clerical errors were attached in e-forms, appointing directors without onward approval of shareholders etc. Although, no show cause notice in respect of the non-compliance has been received by the Company till date, any penalty imposed for such non-compliance in future by the any regulatory authority could affect our financial conditions to that extent. In case of any action being taken by the regulatory authorities against the Company and/or its officers, the same may have an adverse effect on our business and reputation. Our company has not complied with certain Accounting Standards such as AS-19, AS-17 and AS-15 however the same have been duly complied by the company in the restated financial statements. Further, there are certain forms which are filed with delayed fees with RoC. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

12. Our Company operates under several statutory and regulatory approvals in respect of our operations. Failure to obtain or maintain licenses, registrations, permits and approvals may affect our business and results of operations.

We are governed by various laws and regulations for our business and operations. We are engaged in the business of manufacturing defence application products, dairy equipments and kitchen equipments. In this relation, our Company has obtained necessary approvals to successfully carry out its operations, but there is no assurance that there are no other statutory/regulatory requirements which we are required to be complied with. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Our Company had earlier not registered itself as principal employer under the Contract Labour (Regulation and Abolition) Act 1970, however the same has now been registered by the company. Moreover, our Company has applied for registration under The Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 for our Regional Office at Vadodara, however the registration for the same is pending.

We cannot assure you that the approvals, licenses, registrations and permits required will be issued to us and those already issued will not be suspended or revoked in the event of non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any denial, suspension or revocation of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations. Also some of the registration certificate of our company does not carry the present address of the registered office of the

company or are in the old name of the company, prior to its conversion of partnership firm "M/s Krishna Industries" into company "Krishna Allied Industries Private Limited" or prior to the change of name of the company to "Krishna Defence and Allied Industries Limited". The same needs to be updated in the records of concerned authorities. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see ***"Government and Other Approvals"*** on page 253 of this Red Herring Prospectus.

13. We have significant working capital requirements. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows and results of operations.

Our business requires significant working capital including in connection with our manufacturing operations, financing our inventory, providing bank guarantees, purchase of raw materials and our development of new products which may be adversely affected by changes in terms of credit and payment. We are required to maintain a high level of working capital because our business activities are characterised by long product development periods and production cycles. Delays in payment under on-going contracts or reduction of advance payments due to lower order intake or inventory and work in progress increases and/or accelerated payments to suppliers, fixed deposits to facilitate bank guarantees to our customers, could adversely affect our working capital, lower our cash flows and materially increase the amount of working capital to be funded. We may also be unable to adequately finance our working capital requirements on account of various factors, including extraneous factors such as delay in disbursements under our financing arrangements, increased interest rates, insurance or other costs, or borrowing and lending restrictions or finance our working capital requirements on commercially acceptable terms or at all, each of which may have a material adverse effect on our business, financial condition, prospects and results of operations. Continued increase in our working capital requirements may have an adverse effect on our financial condition and results of operations. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations.

14. Our manufacturing facilities are located on leased premises. If we are unable to renew these leases or relocate on commercially suitable terms, it may have a material adverse effect on our business, results of operation and financial condition

Our manufacturing facility situated at Kalol is located on premises leased from the GIDC. Though we have entered into long-term lease agreements with respect to these lands, such lease agreements may be terminated early in the event of a default or upon the expiry of their tenure and may not be renewed. For details, see **"*Our Business - Property*"** on page 136 Additionally, the lease agreements require our Company to comply with certain conditions including prior consent of the lessor for certain actions such as making significant structural alterations, subletting, transferring or assigning the leased premises. If we fail to meet any such conditions, we may be required to incur additional liability. For instance, our Company has not sought the consent from GIDC in relation to subletting a portion of the premises leased from GIDC at Kalol to our Group Company, White Gold Technologies LLP. The licensee has been made liable for compliance of all terms and conditions of lease deed executed between company and GIDC and this sub-lease is subject to termination if the said terms are violated by the licensee.

In addition, our manufacturing facility situated at Halol has been obtained through leave and license agreement from our Group Company, Krish Industries Private Limited and our Regional Office situated at Vadodara is obtained on lease from third party. The said agreement is not registered. While we always seek to ensure through various means good title to property used by us, our rights in respect of these properties may be compromised by improperly executed, unregistered or insufficiently stamped agreements. .If these agreements are terminated or revoked due to absence of prior consent from GIDC for sub-letting or any other reason or if we are unable to renew these agreements on commercially reasonable terms or at all, we may suffer significant disruptions to our operations and incur considerable costs to relocate and move our operations elsewhere. In the event we are required to vacate the

premises, we may need to do with short or no notice. Any inability on our part to timely identify a suitable location for a relocated premise could have an adverse impact on our business.

15. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.

While we maintain insurance coverage namely Business Guard - Bharat Laghu Udyam Suraksha to secure stock, consumables, plant and machinery against fire and burgulary for both our manufacturing facilities at Kalol and Halol in amounts which we believe are commercially appropriate.The said insurance policies have insured the Building and/or Contents including plant and machinery, stocks or stocks in process against fire. However, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable. We have not insured our risks pertaining to Machinery Breakdown, Cash in transit, Keyman Insurance Policy and insurance cover for regional office. The absence of such policies may affect our production facilities to halt, and may hinder our operations. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy.. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.For further details of our Insurance Policies, please refer section titled ***"Our Business"*** beginning on page 118 of this Red Herring Prospectus.

16. We are dependent on our Promoters, our senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could affect our business, results of operations, financial condition and cash flows.

Our performance depends largely on the efforts and abilities of our senior management and other key personnel, including our Promoter and Managing Director Mr. AnkurAshwin Shah and our Whole Time Directors, Mr. Suvendu Banerjee and Mr. Sandeep Ramrao Kadam. They have gained experience in this line of business and have over the years built relations with suppliers, third party service providers, customers, regulators and other persons who are connected with us and have been actively involved in the day to day operations and management, further we believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for Research and development activities, procurement of TOTs, tender bidding process, successful delivery of products and our overall business operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see ***"Our Management"*** on page 154 of this Red Herring Prospectus. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an effect on our business, results of operations, financial condition and cash flows.

17. Our manufacturing activities require deployment of labour anddepend on availability of labour. In case of unavailability of such labour, our business operations could be affected.

Our manufacturing operations require deployment and our ability to retain labour. In case such labour workforce is unavailable, or we are unable to identify and retain such labour our business could be adversely affected. We cannot guarantee that we may be able to continue with the same on favourable terms or at all. Any such failure may impact the operations, business process and profitability. Additionally, there have been amendments in the labour and Employment related laws, which may have a direct impact on our employee costs and consequently, on our margins. Further, latest amendments in labour laws in India may be lead to increasing cost of compliance, wages, social security, Occupational Safety, Health and Working Conditions. We cannot assure you that we will continue to

comply with all these labour related laws and that as we continue to grow our business in the future, our labour and employee costs coupled with operating compliances and expenses will not significantly increase.

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

The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titled ***"Objects of the Issue".*** The fund requirement and deployment, as mentioned in the ***"Objects of the Issue"*** on page 90 of this Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter ***"Objects of the Issue"*** is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter ***"Objects of the Issue"*** will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

19. ***We have in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.***

Our Company has entered into various transactions with our Directors, Promoter and Promoter Group members/entities. These transactions, inter-alia includes, issue of shares, remuneration, loans and advances, purchase, sales, rent expenses and rent income, reimbursement of expenses etc. For details, please refer to ***"Note 29B - Related Party Transactions"***under Section titled ***"Financial Information of the Company"*** and Chapter titled ***"Capital Structure"*** beginning on page 213 and 71 respectively of this Red Herring Prospectus. Our Company has entered into such transactions due to easy proximity and quick execution. Although all related-party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions are not entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

20. ***We propose to introduce new line of products by venturing into the business of manufacturing Homeland and Security Products.Due to limited experience of our promoter in the new line of products, we may face new business and financial challenges which may adversely affect our profitability and results of operations.***

Recently our Company has also forayed in a new business vertical of manufacturing Homeland & Security products, wherein we plan to manufacture products like Modular Vehicle Barrier, Automatic tyre Killer, Multi-purpose Launcher and Long Range LED Searchlight used by the Indian Armed Forces, for which we have entered into agreements with foreign vendors for import of critical component required to manufacture/assemble these products in our factory. We propose to sell such product under MAKE IN INDIA Programme and have successfully developed the prototype of Modular Vehicle Barrier. Although, the Promoter of our Company have vast experience of around 22 years, but they have no prior experience in the aforesaid new line of products, due to which, we may face new business and financial challenges including import of critical components, sales issues, marketing, production, cost optimization etc. which may adversely affect our profitability and results of operations.

21. Inventories and trade receivables form a major part of our current assets. Failure to manage our inventory and trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.

Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. The results of operations of our business are dependent on our ability to effectively manage our inventory (raw materials, work in progress and finished goods) and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand / potential orders and supply requirements and purchase new inventory accordingly. However, if we misjudge expected customer demand / potential orders, it could cause either a shortage of products or an accumulation of excess inventory. During the stub period ended on September 30, 2021 and FY 2020-21, 2019-20 and 2018-19 our inventories were Rs.1597.87 Lakhs, Rs.1528.02 lakhs, Rs.2058.82 lakhs and Rs.1113.08 lakhs. Further, if we fail to convert the inventory we purchase by manufacturing our products, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the stub period ended on September 30, 2021 and FY 2020-21, 2019-20 and 2018-19 our trade receivables were Rs.1219.62 lakhs, Rs.1320.79 lakhs, Rs.1217.66 lakhs and Rs. 3161.11 lakhs.We also maintained Cash and Cash equivalents of Rs.994.11 lakhs, Rs.908.96 lakhs, Rs.1102.56 lakhs and Rs.901.63 lakhs during the stub period ended on September 30, 2021 and FY 2020-21, 2019-20 and 2018-19 respectively for providing Bank Guarantees to our customers. A liquidity crunch may also result in case of increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

22. The Logo used by our Company is currently objected under process of registration under Trade Marks Act, 1999. Failure to protect our intellectual property rights may adversely affect our competitive business position, financial condition and profitability.

Presently, our Company is using logo KRISHNA and we have applied for registration of the same under the Trade Marks Act, 1999. The trademark application is currently objected and the same is not granted/approved as on date and we do not enjoy the statutory provisions that are accorded to a registered trademark. The use of our logo by third parties could adversely affect our reputation, which could in turn adversely affect our business and results of operations. There can be no assurance that our trademark application will be approved. Further the objection raised on our trademark applications may challenge our use of the logo. In the event that our logo is successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition, and could require us to devote resources advertising and marketing new brand.

Moreover our Trademark application for our erstwhile logo is objected and if we inadvertently infringe on the intellectual property rights of others, our business and results of operations may be adversely affected

We may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or infringement will not cause damage to our business prospects. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

23. Invocation of performance bank guarantees by our customers could impact our results of operations and we may face potential liabilities from claims by customers in the future.

In some of our contracts, we are required to secure performance bank guarantee from nationalised / scheduled commercial banks to be furnished within a few days of the signing of a contract and remain valid up to execution of the contract.For the six months period ended September 30, 2021 and the Fiscals ended 2021, 2020 and 2019 we have outstanding bank guarantee for ₹ 1384.30 lakhs, ₹ 1219.54 lakhs, ₹ 1223.37 lakhs and ₹ 1302.12 lakhs, respectively. Our inability to arrange such guarantees or the invocation of such guarantees may adversely affect our cash flows and financial condition**.** We may not be able to continue obtaining new financial and performance bank guarantees required to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees or letters of credit, our ability to enter into new contracts could be limited and could have a material adverse effect on our business, results of operations and financial condition. Providing security to obtain letters of credit, financial and performance bank guarantees also increases our working capital requirements. Also, there may be scenarios where we may be unable to fulfill our obligations under the contracts entered into by us due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. The invocation of such performance bank guarantees in relation to our contracts could have an adverse effect on our business, results of operation, and financial condition.

24. Our Group Companies are engaged in the line of business similar to our Company.

Our Group Companies Krish Industries Private Limited and White Gold Technologies LLP are engaged in the similar line of business of manufacturing Dairy Equipment as that of our Company. We cannot assure that our Promoter who has common interest in said entity will not favour the interest of the said entity. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and these Companies in circumstances where our respective interests' conflict. In cases of conflict, our Promoter may favour these companies in which our Promoter has interest. There can be no assurance that our Promoter or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

25. We have significant power and water requirements for continuous running of our factory. Any disruption to our operations on account of interruption in power or water supply or any irregular or significant hike in their tariffs may have an effect on our business, results of operations and financial condition.

Our factory has significant electricity requirements and any interruption in power supply to our factory may disrupt our operations. Also availability of water is an essential utility in our manufacturing process. Our business and financial results may be affected by any disruption of operations due to lack of essential utilities. We depend on third parties for all of our power and water requirements. Since we have significant power consumption, any unexpected or significant increase in its tariff can increase the operating cost of our Company.

26. Fluctuation in foreign currency exchange rates could affect our financial condition and results of operations.

Our business involves import and export transactions with foreign companies, which is paid or received in U.S. Dollars or other foreign currencies. A depreciation of Rupee against these foreign currencies would mean that our import of raw materials would become expensive and will impact our cost of production. During the stub period ended on September 30, 2021 and FY 2020-21, 2019-20 and 2018-19 the imports accounted for approximately Rs. 4.73 lakhs, Rs. 17.19 lakhs, Rs. 16.48 lakhs and Rs. 32.84 lakhs respectively. Similarly any appreciation of Rupee against these foreign currencies would adversely affect the export value of our products. During the stub period ended on September 30, 2021 and FY 2020-21, 2019-20 and 2018-19 the exports accounted for approximately Rs. 23.24 lakhs, Nil, Rs. 14.15 lakhs and Rs. 17.17 lakhs respectively. The exchange rate between the Rupee and these foreign currencies has fluctuated substantially in recent years and may continue to fluctuate significantly in the future. We bear the complete risk of currency exchange rate fluctuations.

27. ***We could incur losses under our fixed price contracts as a result of cost overruns, delays in delivery or failures to meet contract specifications which may have an adverse effect on our business, financial condition and results of operations.***

Most of our contracts are fixed-price contracts. All costs including labour and raw materials costs are forecasted by us when we enter such book building-price contracts. In case of cost variances from such estimates, we are permitted to retain all cost savings on completed contracts but are liable for the full amount of all cost overruns. The actual costs incurred on a book building-price contract may vary from our estimates due to factors such as:

- unanticipated variations in labour and equipment productivity over the term of a contract;
- unanticipated increases in labour, raw material, sub-contracting and overhead costs;
- delivery delays and corrective measures for poor workmanship;
- equipment failures;
- changes in the specifications provided by our customers;
- obsolescence of any components;

We cannot assure you that these contracts, if secured, can be completed profitably. Cost overruns on our book building price contracts could have a material adverse effect on our business, financial condition, results of operations and prospects.

Depending on the size of the project, variations from estimated contract performance could significantly reduce our earnings, and could result in losses, during any quarter of a fiscal or entire fiscal. All of our book building price contracts provide for liquidated damages for late delivery. In the past, we have been required to re-negotiate some of the terms, date of delivery, scope of work, due to a delay in delivery of the products owing to a combination of internal as well as external factors beyond our control. We have also had to pay liquidated damages for delay in delivery. There can be no assurance that our customers in future will not rescind their contracts with us if there is a delay in delivery beyond the time stipulated in the contract or we may need to renegotiate some of our contracts. This may have an impact on our reputation, which could have a material adverse effect on our financial condition, results of operations and prospects.

28. ***Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.***

Our Contingent liability as on September 30, 2021 was Rs. 1503.30 Lakhs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected.

(*Amt in Lakhs)*

Particulars	As at 30 September, 2021
(i) Contingent Liabilities	
(a) On account of Litigations	
(a) Value Added Tax (VAT)	-
(b) Central Sales Tax (CST)	36.32
(b) Bank Guarantees issued by bank on behalf of Company for which company has issued counter guarantee	1,384.30
(c) On account of other contingent claims	77.84
(ii)Commitments	
(a) Estimated amount of Contracts to be executed on capital account and not provided for net of capital advance	4.84
(b) Other Commitments	-

For more information, regarding our contingent liabilities, please refer ***"Note 28A"*** in chapter titled ***"Financial Information of the Company"*** beginning on page 209 of this Red Herring Prospectus.

29. ***If we are unable to manage our growth effectively, our business, future financial performance and results ofoperations could be materially and adversely affected.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. As part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including by expanding our product portfolio, strengthening our foothold in India's expanding market, continue to focus on R&D, increasing our reach in the international markets.

This could place significant demands on our operational, credit, financial and other internal risk controls. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations. Our operating expenses and capital requirements may increase significantly pursuant to our expansion and diversification plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations

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

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

31. ***Our success depends on stable and reliable logistics and transportation infrastructure. Disruption of logistics and transportation services could impair the ability of our suppliers to deliver raw materials or our ability to deliver products to our customers and/ or increase our transportation costs, which may adversely affect our operations***

We utilize third party transportation services by road for transportation of raw materials and our products from/ to our suppliers and customers. Transportation by road, as the case may be, involves risks, including, collision, grounding, storm, fire, explosion, lightning, political instability and operating restrictions/ lockdown consequent to outbreak of infectious diseases, such as the COVID-19 pandemic. Any delay or disruption caused to the transportation of raw materials or our products could adversely impact our ability to procure the raw materials as well as to meet the delivery schedule of our products in an economical manner. To ensure timely delivery of our products, we may also be required to maintain relatively high level of inventory of raw materials and this may also resultantly increase our cost.

32. ***We operate in a competitive business environment. Failure to compete effectively against our competitors and new entrants to the industry in any of our business segments may adversely affect our business, financial condition and results of operations***

The manufacturing of our products for defence, dairy or kitchen equipment is competitive, and it experiences rapid technological developments and changes in customer requirements. For further details of our competitors, please see ***"Our Business – Competition"***on page 134. We compete on the basis of our ability to fulfil our contractual obligations including the quality of products and the timely delivery of the products. Additionally, while these are important considerations, price is a major factor in most tender / bid awards and our business is subject to price competition. Our competitors may have substantially greater financial, management, research and marketing

resources than we have as a result of which they may be able to utilise their resources and economies of scale to develop improved products, divert sales away from us by winning broader contracts or hire our employees by offering more lucrative compensation packages. Further if import of dairy or defence equipment products manufactured by us are liberalised by the Government of India or if there is a change in FDI Policy of Government of India inviting bids from foreign investors with better specifications or reduced prices, it may adversely affect our competitive edge. Our competitors may be able to provide our customers, with different or greater capabilities or benefits than we can provide in areas such as technology, technical qualifications, post contract performance. Our failure to compete effectively with respect to any of these or other factors could have a material adverse effect on our business, prospects, financial condition or operating results. In such a scenario, we may find difficulties in maintaining our position in the market.

33. Contracts awarded to us may be subject to litigation by unsuccessful bidders.

Contracts awarded to us may be subject to litigation by unsuccessful bidders. Legal proceedings may result in delay in the award of the contracts for the bids where we have been successful, which may result in us having to retain unallocated resources and as a result, it would adversely affect our results of operations and financial condition. Further, we may be required to incur substantial expenditure, time and resources in defending such litigation. Any unsuccessful outcome in any such proceedings may lead to termination of a contract awarded to us, which could have a material adverse effect on our future revenues and profits.

34. Technology failures or Cyber-attacks or other security breaches could have a material adverse effect on our business, results of operation or financial condition

IT systems are critical to our ability to manage our operations. Our IT systems enable us to coordinate our operations, from planning, production scheduling, raw material ordering, invoicing, delivery, customer relationship, management and decision support. If we do not allocate and effectively manage the resources necessary to build and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies, customer service disruptions and, in some instances, loss of customers.

We face cyber threats, threats to the physical security of our facilities and employees, the potential for business disruptions associated with IT failures, natural disasters, or public health crises. We have installed anti-virus software to prevent our systems and infrastructure from being infected and crippled by computer viruses. All our internet facing servers installed at all our data centres as well as at all our offices are also secured with firewalls and intrusion preventions systems to prevent hacking. If we are unable to protect sensitive information, our customers or governmental authorities could question the adequacy of our threat mitigation and detection processes and procedures. Due to the evolving nature of these security threats, the impact of any future incident cannot be predicted.

35. Our Promoter has provided personal guarantees for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations and thereby, impact our business and operations.

Our Promoter Mr. Ankur Ashwin Shah has provided personal guarantee towards loan facilities taken by our Company from Axis Bank Limited and Standard Chartered Bank and may continue to provide such guarantees and other securities post listing. Any default or failure by us to repay the loans in a timely manner, or at all could trigger repayment obligations of our guarantors in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individuals or companies withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which

could affect our financial condition and cash flows. For further details, please refer to chapter titled ***"Statement of Financial Indebtedness"*** beginning on page 231 of this Red Herring Prospectus.

36. *Our Group Companies have incurred losses in past, any operating losses in the future could adversely affect the results of operations and financial conditions of our group company.*

The details of profit and loss of our Group Companies in the past years are as follows:-

(Amt. in Lakhs)

Group Company	For The Year Ended		
	March 31, 2021	March 31, 2020	March 31, 2019
Krish Commodities (India) Private Limited	(0.30)	(0.59)	(0.70)
White Gold Technologies LLP	(17.28)	0.42	2.11

Any operating losses by our group companies could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoter towards the group company which could have an adverse affect on our operations and financials. For more information, regarding the Company, please refer chapter titled ***"Our Group Companies"*** beginning on page 260 of this Red Herring Prospectus.

37. *We appoint contract labours for carrying out certain operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.*

In order to retain flexibility and control costs, our Company has entered into contract with independent contractors who in turn engage on-site contract labour for performance of certain operations of the company. Although our Company does not engage these contract labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition and we may also be subject to legal proceedings in this regard. In the event any regulatory body or court passes orders which require us to regularise any of the casual or contract labourers as regular employees, it may have an adverse effect on our business, results of operations and financial condition due to the various factors including increase in wages.

38. *Our Company has taken unsecured loans that may be recalled by the lenders at any time.*

Our Company have availed unsecured loans which may be called by their lenders at any time. As on September 30, 2021 the unsecured loan amounting Rs.1321.69 lakhs were due to lenders. In the event that lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Also there is no formal agreement with any of our lenders. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, please refer chapter titled ***"Statement of Financial Indebtedness"*** beginning on page 231 of Red Herring Prospectus.

39. *Excessive dependence on Axis Bank Limited and Standard Chartered Bank in respect of Loan facilities obtained by our Company.*

Our company has been sanctioned credit facilities by Axis Bank Limited and Standard Chartered Bank. The Company is dependent on such facility for its Working Capital and other funding requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

40. *Failure to comply with environmental laws and regulations by us could lead to unforeseen environmental litigation which could impact our business and our future net earnings.*

We are subject to various regulations concerning environmental protection in India, including laws addressing the discharge of pollutants into the air and water, the management and disposal of any hazardous substances, and wastes and the clean-up of contaminated sites. Environmental laws and regulations in India are becoming more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to further invest in, among other things, environmental monitoring, pollution control equipment, and emissions management. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our manufacturing plant.

41. Our Company has during the preceding one year from the date of the Red Herring Prospectus have allotted Equity Shares at a price which is lower than the Issue Price.

In the last 12 months, we have made allotments of Equity Shares through bonus issue of shares to our promoter and promoter group members, which is lower than the Issue Price. For details relating to number of shares issued, date of allotment etc. please refer to section titled ***"Capital Structure"*** on page 71 of this Red Herring Prospectus. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

42. We are subject to certain restrictive covenants in debt facilities provided to us by our lenders.

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business.

For further details in this regard, please refer to chapter titled ***"Statement of Financial Indebtedness"*** beginning on page 231 of this Red Herring Prospectus.

43. The average cost of acquisition of Equity Shares by our Promoter, is lower than the face value of Equity Share.

The average cost of acquisition of Equity Shares of our Promoter is lower than the face value of Equity Shares i.e. ₹10/-. For further details regarding the average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares of our Promoter in our Company, please see section titled ***"Capital Structure"*** beginning on page 71 of this Red Herring Prospectus.

44. The Company has not made any provision for decline in value of Investment of the Company.

Our Company has made investment in mutual funds for Rs. 1 lakh as on September 30, 2021. We have not made any provision for any decrease in the value of investments, if provision is made in future on account of permanent decrease in value of these investments, our profits would reduce to the extent of such provision. This may have an adverse impact on our results of operations and financial conditions.

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

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

46. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.

The proposed fund requirement as detailed in the section titled ***"Objects of the Issue"*** is to be funded from the proceeds of this Issue. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled ***"Objects of the Issue"*** beginning on page 90 of this Red Herring Prospectus.

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

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

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

Information relating to capacity utilization of our production facilities included in this Red Herring Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to operational efficiencies. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization of our facilities. Undue reliance should therefore not be placed on our capacity utilization information for our existing facilities included in this Red Herring Prospectus. For further information, see the section titled ***"Our Business"*** on page 118 of this Red Herring Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section ***"Dividend Policy"*** on page 173 of the Red Herring Prospectus.

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

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

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

Our promoter along with the promoter group will continue to hold collectively 73.38% of the post issue paid up share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders vote. Such a concentration of the ownership may also have the affect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter and promoter group will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

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

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

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

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

The issue price of the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled ***“Basis for Issue Price”*** beginning on page 96 of the Red Herring Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

54. Certain data mentioned in this Red Herring Prospectus has not been independently verified.

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

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

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

EXTERNAL RISK FACTORS

56. A decline or reprioritisation of the Indian defence budget, reduction in orders, termination of existing contracts, delay of existing or anticipated contracts or programmes or any adverse change in the GoI's defence policies or initiatives will have a material adverse impact on our business.

Our contracts for defence business segment depend upon the continuing availability of budgets extended to the Ministry of Defence ("**MoD**"). In 2022-23, the Ministry of Defence has been allocated Rs 5,25,166 crore(**Source**:https://prsindia.org/files/budget/budget_parliament/2022/Defence%20DFG%20Analysis%202022-23.pdf). While there is an increase in the total defence allocations over a period of time, the level of defence spending by the GoI in the future is difficult to predict and may be impacted by numerous factors such as the evolving nature of the national security concerns, foreign policy, domestic political environment and macroeconomic conditions. Thus any decline or changes in GoI Entities defence requirements or geo-political situations will have a material adverse impact on our business.

Moreover, the MoD has promulgated the Defence Acquisition Procedure 2020 ("**DAP**") which has been aligned with the vision of the Government's Aatmanirbhar Bharat (self-reliant India) initiative and to empower the Indian domestic defence industry through 'Make in India' projects. These policies of the GoI have increased competition and we cannot assure you that we will be as competitive as we have been in the past and we will continue to be successfully awarded contracts by the GoI.

Further any change in Government policy like the government of India announced a revision of the rules on Foreign Direct Investment (FDI) in the defence sector may have a material impact on our business. In May, 2001, the Defence Industry sector, which was hitherto reserved for the public sector, was opened up to 100% for Indian private sector participation, with Foreign Direct Investment (FDI) up to 26% both subject to licensing. Further, Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry vide Press Note No. 5 (2016 Series), allowed FDI under automatic route upto 49% and above 49% through government route wherever it was likely to result in access to modern technology or for other reasons to be recorded. The Government of India in May 2020 has announced that the FDI limit in Defence Production will be raised to 74% from existing 49% under Automatic Route as part of the reform in defence sector to boost self-reliance ***(Source:*** *https://pib.gov.in/PressReleasePage.aspx?PRID=1654091****).*** Thus any such reforms increasing FDI ceiling in

defence sector will increase competition for us and may have any adverse impact on our defence sector business and its growth.

57. The extent to which the Coronavirus disease (COVID-19)* or outbreak of any other severe communicable disease *may affect our business and operations in the future is uncertain and cannot be predicted.

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly COVID19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding COVID-19 and no government-certified treatment is available. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences, including downturns in business sentiment generally or in our sector in particular.

58. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

59. Our business is dependent on the Indian and global economy.

The performance and growth of our business is necessarily dependent on economic conditions prevalent in India and abroad, which may be materially and adversely affected by political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future

slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on our services and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results. As a result, the performance and growth of our business may be dependent on the economic conditions in these regions, and in particular, in India.

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter **"*Key Industrial Regulations and Policies.*"** beginning on page 138 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

61. Instability in financial markets could materially and adversely affect our results of operations and financial conditions.

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

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

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other

government agency can be obtained.

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

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

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

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies.

However, there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

SECTION IV - INTRODUCTION

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS	
Equity Shares Offered through Public Issue[(1)(2)]	Upto 30,48,000 Equity Shares aggregating up to Rs. [●] lakhs
Out of which:	
Issue Reserved for the Market Makers	1,56,000 Equity Shares aggregating up to Rs. [●] lakhs
Net Issue to the Public	Upto 28,92,000 Equity Shares aggregating up to Rs. [●] lakhs
Out of which*	
A. QIB Portion[(4) (5)]	Not more than 14,43,000Equity Shares aggregating up to Rs. [●] lakhs
Of which	
Anchor Investor Portion	Upto [●] Equity Shares aggregating up to Rs. [●] lakhs
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating up to Rs. [●] lakhs
Of Which	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares aggregating up to Rs. [●] lakhs
Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to Rs. [●] lakhs
B. Non-Institutional Portion	Not less than 4,35,000 Equity Shares aggregating up to Rs. [●] lakhs
C. Retail Portion	Not less than 10,14,000 Equity Shares aggregating up to Rs. [●] lakhs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	84,00,000 Equity Shares
Equity Shares outstanding after the Issue	1,14,48,000 Equity Shares of face value Rs.10 each
Use of Net Proceeds by our Company	Please see the chapter titled ***"Objects of the Issue"*** on page 90 of this Red Herring Prospectus.

** Number of shares may need to be adjusted for lot size upon determination of issue price.*

Notes:

1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.

2) The Issue has been authorized by theBoard of Directors vide a resolution passed at its meeting held on November 26, 2021 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting held on November 30, 2021

3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net

Issue shall be available for allocation toRetail Individual Investorsand not less than 15% of the Net Issue shall be available for allocation toNon-institutional bidders.

4) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.

5) Our Company may, in consultation with the Book Running Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled ***"Issue Procedure"*** beginning on page 288 of this Red Herring Prospectus.

SUMMARY OF OUR FINANCIALS

ANNEXURE-A
RESTATED STATEMENT OF ASSET & LIABILITIES

(Amt. in Lakhs)

Particulars			Note No.	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
I.	**EQUITY AND LIABILITIES**						
1	**Shareholders' funds**						
	(a)	Share capital	3	840.00	420.00	420.00	420.00
	(b)	Reserves and surplus	4	1,084.89	1,382.78	1,189.13	1,114.52
				1,924.89	**1,802.78**	**1,609.13**	**1,534.52**
2	**Non-current liabilities**						
	(a)	Long-term borrowings	5	1,227.85	1,476.86	1,438.66	1,423.64
	(b)	Deferred tax liabilities (Net)	29E	29.25	21.09	19.54	23.37
	(c)	Long-term provisions	6	5.01	5.01	3.23	2.26
				1,262.11	**1,502.97**	**1,461.43**	**1,449.26**
3	**Current liabilities**						
	(a)	Short-term borrowings	7	1,129.49	1,080.51	1,129.02	1,311.02
	(b)	Trade payables	8				
		(A) Total outstanding dues of Micro and small enterprises		115.90	152.67	165.38	210.41
		(B) Total outstanding dues of creditors other than micro and small enterprises		870.40	520.24	906.61	1,489.08
	(c)	Other current liabilities	9	395.22	480.60	817.71	553.75
	(d)	Short-term provisions	10	106.13	80.29	52.08	51.62
				2,617.15	**2,314.32**	**3,070.79**	**3,615.87**
	TOTAL			**5,804.14**	**5,620.06**	**6,141.36**	**6,599.65**
II	**ASSETS**						
1	**Non-current assets**						
	(a)	Property, Plant and Equipment	11				
		(i) Tangible assets		1,396.53	996.13	1,037.68	999.54
		(ii) Capital work in progress		13.91	339.23	161.10	46.42
		(iii) Intangible assets		-	-	-	4.00
	(b)	Non-current investments	12	1.00	1.00	1.00	1.00
	(c)	Long-term loans and advances	13	16.77	17.25	72.35	53.77
	(e)	Other non-current assets	14	69.40	82.94	97.84	113.56
				1,497.61	**1,436.55**	**1,369.96**	**1,218.29**
2	**Current assets**						
	(a)	Inventories	15	1,597.87	1,528.02	2,058.82	1,113.08
	(b)	Trade receivables	16	1,219.62	1,320.79	1,217.66	3,161.11
	(c)	Cash and Bank Balance	17	994.11	908.96	1,102.56	901.63
	(d)	Short Term loans and advances	18	122.49	113.46	83.88	62.79
	(e)	Other current assets	19	372.45	312.29	308.47	142.76
				4,306.53	**4,183.51**	**4,771.39**	**5,381.37**
	TOTAL			**5,804.14**	**5,620.06**	**6,141.36**	**6,599.65**
	The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cashflows appearing in Annexure D,B & C						

ANNEXURE-B
RESTATED STATEMENT OF PROFIT AND LOSS

(Amt. in Lakhs)

Particulars		Note No.	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
I.	Revenue from operations	20	2,071.56	3,502.66	2,499.23	5,837.91
II.	Other income	21	26.64	116.18	73.14	52.94
III.	**Total Revenue**		**2,098.20**	**3,618.84**	**2,572.37**	**5,890.85**
IV.	**Expenses:**					
	Cost of materials consumed	22	422.01	739.11	1,106.12	1,079.86
	Purchases of Stock-in-Trade	23	492.58	285.91	481.36	2,985.00
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	24	(92.03)	601.96	(958.27)	(231.22)
	Employee benefit expenses	25	408.11	634.88	740.57	678.66
	Finance costs	26	88.42	172.43	169.96	177.20
	Depreciation and amortization expenses	11	69.83	139.65	139.19	129.05
	Other expenses	27	543.02	782.70	780.01	784.00
	Total expenses		**1,931.94**	**3,356.64**	**2,458.94**	**5,602.55**
V	**Profit before tax**		**166.26**	**262.20**	**113.44**	**288.30**
VI	**Tax expense:**					
	Current tax		34.43	67.00	36.69	84.58
	Tax of earlier years (Net)		1.57	-	5.97	-
	Deferred tax Liability/(Asset)		8.15	1.55	(3.82)	(2.72)
VII	**Profit for the period (V-VI)**		**122.11**	**193.65**	**74.61**	**206.44**
VIII	**Earnings per equity share:**					
	Basic	29(D)	1.45	2.31	0.89	2.46
	Diluted		1.45	2.31	0.89	2.46

The above statements should be read with the significant accounting policies and notes to restated summary, assets and liabilities and cashflows appearing in Annexure D,A & C

ANNEXURE-C
RESTATED CASH FLOW STATEMENT

(Amt in lakhs)

	Particulars	For the half year ended 30th September, 2021		For the year ended 31st March, 2021		For the year ended 31st March, 2020		For the year ended 31st March, 2019	
A	**CASH FLOW FROM OPERATING ACTIVITIES**								
	Profit before exceptional items, prior period items and tax:		**166.26**		**262.20**		**113.44**		**288.30**
	Adjustments for :								
	Depreciation /amortization	69.83		139.65		139.19		129.05	
	Loss on Sale/scrap of assets	-		-		-		0.11	
	Amount no longer payable written back	-		(51.29)		-			
	Rent Income	(1.20)		(2.40)		(2.40)		(2.40)	
	Award Income	-		-		-			
	Adjustment in opening balance for restatement							(31.28)	
	Interest received	(25.20)		(60.82)		(70.73)		(49.66)	
	Bad Debts	-		34.55					
	Interest Expense	83.75		167.12		146.43		164.14	
			127.18		**226.80**		**212.49**		**209.96**
	Operating Profit before working capital changes		**293.44**		**489.00**		**325.92**		**498.26**
	Adjustments for:								
	(Increase)/Decrease in Loans and Advances	(8.54)		17.98		(42.28)		(48.12)	
	(Increase)/Decrease in Trade receivables	101.16		(137.67)		1,943.45		(642.43)	
	(Increase)/Decrease in Inventories	(69.86)		530.80		(945.74)		(176.75)	
	(Increase)/Decrease in Other Non Current Assets	13.54		14.90		15.73		58.46	
	(Increase)/Decrease in Other Current Assets	(56.09)		0.97		(160.56)		29.65	
	Increase/(Decrease) in Trade	313.39		(347.78)		(627.50)		690.46	

	Payable								
	Increase/(Decrease) in Liabilities and Provisions	(111.68)		(345.69)		265.39		(22.52)	
			181.93		**(266.50)**		**448.49**		**(111.26)**
	Cash generated from Operations		**475.37**		**222.50**		**774.41**		**387.00**
	Less : Direct taxes paid (Net of refund, if any)		16.14		(20.89)		(40.04)		(91.19)
	Cash flow before extraordinary items		**491.51**		**201.61**		**734.38**		**295.82**
	Net cash from Operating Activities (A)		**491.51**		**201.61**		**734.38**		**295.82**
B	**CASH FLOW FROM INVESTING ACTIVITIES**								
	Purchase of Property plant & Equipments		(144.91)		(276.23)		(292.02)		(416.75)
	Proceeds from Sale of Property plant & Equipments				-		4.00		1.00
	Purchase of Investment(net)				-				(1.00)
	(Increase)/Decrease in Other bank balances		(86.07)		195.90		(188.61)		(421.49)
	Rent Received		1.20		2.40		2.40		2.40
	Interest received		21.13		56.04		65.58		34.41
	Net Cash used in Investing Activities (B)		**(208.65)**		**(21.89)**		**(408.64)**		**(801.43)**
C	**CASH FLOW FROM FINANCIAL ACTIVITIES**								
	Receipt of Long term borrowings(net)		29.25		703.66		278.17		1,652.88
	Repayment of Long Term Borrowings		(270.36)		(642.31)		(305.07)		(1,085.47)
	Increase/(Decrease) in Short term Borrowings		41.07		(71.65)		(140.08)		79.43
	Interest paid		(83.75)		(167.12)		(146.43)		(164.14)
	Net cash used Financing Activities (C)		**(283.78)**		**(177.42)**		**(313.40)**		**482.69**
	Net increase in cash and cash equivalents (A+B+C)		**(0.93)**		**2.29**		**12.33**		**(22.92)**

	Cash and cash equivalents at the beginning of the year		22.96		20.66		8.34		31.26
	Cash and cash equivalents at the end of the year		**22.03**		**22.96**		**20.66**		**8.34**
	Components of Cash & Cash Equivalents								
	Cash on hand		11.11		10.79		3.83		5.39
	Balance with schedule banks								
	In Current Account		10.92		12.17		16.84		2.94
	Cash and Cash Equivalents (As per Note No.17)		**22.03**		**22.96**		**20.66**		**8.34**
	Note:-								
1	Figures in the brackets represents cash outflow.								
2	The above statements should be read with the significant accounting policies and notes to restated summary, and profit and losses assets and liabilities appearing in Annexure D,A & B								

GENERAL INFORMATION

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 in the name and style of "M/s. Krishna Industries", pursuant to a deed of partnership entered between Mr.AnkurAshwin Shah, Mrs.PallaviAshwin Shah and Mr.BhadreshSanatkumar Joshi in 1997. Later the partnership firm was dissolved by mutual consent of the partners w.e.f March 31, 2002 vide dissolution deed dated April 01, 2002 and the business of M/s. Krishna Industries was taken over by Mr.AnkurAshwin Shah as a Proprietor. Thereafter a deed of partnership dated April 05, 2011 was formed between Mr.AnkurAshwin Shah, Late Mr.AshwinNatwarlal Shah, Mr.DilipNatwarlalShah,Mr.KiranBrijmohandas Shah, Mr.ChetanKuberdas Dharia, M/s Krish Commodities (India) Private Limited and M/s Krish Industries Private Limited to admit as partners in the proprietorship business running in the name and style of "Krishna Industries" w.e.f April 01, 2011. Later the partnership firm was registered under the Indian Partnership Act 1932 with Registrar of Firms, Mumbai vide Registration certificate dated January 05, 2013. Further "M/s Krishna Industries" was converted from partnership firm to a Private Limited Company under Part IX of Companies Act, 1956 in the name of "Krishna Allied Industries Private Limited" vide Certificate of Incorporation dated September 10, 2013, bearing registration No. 248021 issued by Registrar of Companies, Maharashtra, Mumbai and CIN No. U74900MH2013PTC248021. Subsequently our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on September 27, 2021 and consequently the name of our Company was changed from "Krishna Allied Industries Private Limited" to "Krishna Allied Industries Limited" vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited companydated October 20, 2021 by the Registrar of Companies, Mumbai bearing Corporate Identification Number U74900MH2013PLC248021. Thereafter the name of the Company was changed from "Krishna Allied Industries Limited" to "Krishna Defence and Allied Industries Limited" pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on November 01, 2021 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on December 07, 2021 by the Registrar of Companies, Mumbai.

Mr.AnkurAshwin Shah, Late Mr.AshwinNatwarlal Shah, Mr.DilipNatwarlalShah ,Mr.KiranBrijmohandas Shah, Mr.ChetanKuberdasDharia, M/s Krish Commodities (India) Private Limited and M/s Krish Industries Private Limitedwere the initial subscribers to the Memorandum of Association of our Company.

For further details please refer to chapter titled ***"History and Certain Corporate Matters"***beginning on page 148 of this Red Herring Prospectus.

Registered Office:

Krishna Defence and Allied Industries Limited
344, Floor-3, Plot-267, A To Z Industrial Estate,
Ganapatrao Kadam Marg, Lower Parel,
Delisle Road, Mumbai 400013 India
Tel. No: 022 4220 3800/99
E-mail: ankur@krishnaallied.com
Website: www.krishnaallied.com
CIN: U74900MH2013PLC248021
Registration Number: 248021

Regional Office and Factory Address:

Regional Office	2nd floor office no·207·208 Atlantis Heritage,Vadivadi Road, Sarabhai campus, Vadodara, Dist: Baroda·390023
Factory-1	Plot No. 121/8/9/20/21/22/23-24, GIDC Estate, Kalol, Panchmahals, Gujarat, 389330
Factory-2	Plot No: 503/A, GIDC Estate, Halol - 389350

Address of the RoC:

Registrar of Companies, Mumbai
100, Everest, Marine Drive,
Mumbai-400002,Maharashtra.
Tel No: 022-22812627/22020295/22846954
Email id: roc.mumbai@mca.gov.in
Website:www.mca.gov.in

Board of Directors of our Company:

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

Name	Designation	Address	DIN
Mr.AnkurAshwin Shah	Managing Director	C/O, Flat No 3301, 33rd Floor, A Wing, Omkar 1973, PandurangBudhkarMarg, Worli, Mumbai, Mumbai City, Maharashtra - 400030	01166537
Mr.SandeepRamrao Kadam	Whole-time Director	PradhyapakColony,A/P-Shirala,Sangli, Maharashtra, 415408, India	06841164
Mr.Suvendu Banerjee	Whole-time Director	B-401, Shravan Green, SamaSavliRoad, Behind SiddharthBunglows,VadodaraGujarat - 390022 India	06841783
Mrs.PreyalAnkur Shah	Chairperson & Non-Executive Director	Flat No 3301, 3rd Floor Tower 1, Omkar 1973,PandurangBudhkarMarg, WorliMumbai Maharashtra 400030 India	06966962
Mr.DivyakantRamniklal Zaveri	Independent Director	101, Nyota Flats, 6 Countryside Estate,Gotri,Vadodara, Gujarat-390021	01382184
Mr.JaykumarToshniwal	Independent Director	66 A-1, Apartment, 270 Walkeshwar Road, Near Raj Bhavan, Malabar Hill, Mumbai, Maharastra-400006	00609542

For further details in relation to our Directors, please refer to chapter titled ***"Our Management"*** on page 154 of this Red Herring Prospectus.

Chief Financial Officer

Mr.PiyushHarjibhai Patel
Address: 2nd floor office no·207·208 Atlantis Heritage,
Vadivadi Road, Sarabhai campus, Vadodara, Dist: Baroda·390023
Tel. No: +91 265 2960085
E-mail:piyush@krishnaallied.com
Website: www.krishnaallied.com

Company Secretary & Compliance Officer

Ms. Charmy Shah
Address: 2nd floor office no·207·208 Atlantis Heritage,
Vadivadi Road, Sarabhai campus, Vadodara, Dist: Baroda·390023
Tel. No: +91 265 2960085
E-mail:cs@krishnaallied.com
Website: www.krishnaallied.com
Investor Grievances

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

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

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

All grievances relating to the Anchor Investors may be addressed to the BRLM, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN,date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

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

Book Running Lead Manager of the Issue	**Legal Advisor to the Issue**
Hem Securities Limited **Address**: 904, A Wing, Naman Midtown, SenapatiBapatMarg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India **Tel No**.: +91-22-4906 0000 **Fax No.:** +91-22-22625991 **Email**:ib@hemsecurities.com **Investor Grievance Email:** redressal@hemsecurities.com **Website**:www.hemsecurities.com **Contact Person**: Mrs. Roshni Lahoti **SEBI Regn. No**.:INM000010981	**Vedanta Law Chambers** **Address**: Ist Floor, SSK House, B-62, SahakarMarg, LalKothi, Jaipur-302015 Rajasthan, India **Tel**: +91- 141 -2740911, +91- 141 -4014091 **Fax**: +91- 141 -2740911 **Website**: www.vedantalawchambers.com **Email**: vedantalawchambers@gmail.com **Contact Person:** Advocate NiveditaRavindraSarda
Registrar to the Issue	**Statutory Auditors**
Bigshare Services Private Limited **Address:**1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road Marol, Andheri (East), Mumbai 400059, India. **Telephone**: +91 22 6263 8200 **Facsimile:** +91 22 6263 8280 **Email:**ipo@bigshareonline.com **Contact Person:** Mr. Swapnil Kate **Website:**www.bigshareonline.com **SEBI Registration Number:** INR000001385 **CIN:** U99999MH1994PTC076534	**CNK & ASSOCAITES LLP** **Address**: The Nirat, 3rd Floor, 18. Windward Business Park, Behind Emerald One Complex, Jetalpur Road, Vadodara, Gujarat, 390007. **Tel**: +91 265 234 3483, +91 265 235 4359 **Website**: www.cnkindia.com **Email**: vadodara@cnkindia.com Peer Review Number: 013232 **Contact Person:**CA.Alok Shah
Bankers to the Company	**Bankers to the Issue**

Axis Bank Limited **Address**:Vardhaman Complex, Race Course Rd, Opposite GEB, Race Course, vadiwadi, vadodara, Gujrat- 390007. **Tel**: 0265- 40371548 **Fax**: 079-26409321 **Website**: www. Axisbank.com **Email**: s.mahesh@axisbank.com **Contact Person:** S. Mahesh CIN: L65110GJ1993PLC020769	**Axis Bank Limited** Address – Fortune 2000, Ground Floor, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 Tel No – 022 61483110 Email – BKC.branchhead@axisbank.com, Website – www.axisbank.com Contact Person – Mrs. Shruti Khanna SEBI Reg No – INBI00000017
Syndicate Member	
Hem Finlease Private Limited **Address**:203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India **Telephone**:0141-4051000 **Email**:ib@hemsecurities.com **Website**:www.hemsecurities.com **Contact Person**:Mr. Ashok Soni **SEBI Registration Number**:INZ000167734	

Designated Intermediaries

Self-Certified Syndicate Banks (SCSB's)

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on 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 Bid-cum-Application Forms, refer to the above mentioned SEBI link.

Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above mentioned SEBI link.

Registered Brokers

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

Registrar and Share Transfer Agents

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

Collecting Depository Participants

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

Expert Opinion

Except for the reports in the section ***"Financial Information of the Company"*** and ***"Statement of Tax Benefits"*** on page 174 and 99 respectively of this Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditors for inclusion of their name. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1933.

Inter-se Allocation of Responsibilities

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

Monitoring Agency

Since the proceeds from the Fresh Issue do not exceed ₹1,000 million, in terms of Regulation 262(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

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

IPO Grading

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

Trustees

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

Filing

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

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

A copy of the Red Herring Prospectus/ Prospectus along with copy of material contracts and material documents as mentioned on page 354 of this Red Herring Prospectus, will be delivered to the Registrar of Companies, Mumbai**,** 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra.

Book Building Process

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Mumbai Edition of Regional newspaper Navshakti where our registered office is situated at least two working days prior to the Bid / Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid / Issue Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Hem Securities Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with NSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein 50 % of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the "**Anchor Investor Portion**"), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price.5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not

be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled ***"Issue Procedure"*** beginning on page 288 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled ***"Issue Procedure"*** on page 288 of this Red Herring Prospectus.

Ilustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled ***"Issue Procedure"***on page 288 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.

- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

Bid/Issue Program:

Event	Indicative Date
Bid/Issue Opening Date	Friday, March 25, 2022
Bid/Issue Closing Date	Tuesday, March 29, 2022
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Friday, April 01, 2022
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about Monday, April 04, 2022
Credit of Equity Shares to Demat accounts of Allottees	On or about Tuesday, April 05, 2022
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Wednesday, April 06, 2022

(1) Our Company in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

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

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

WITHDRAWAL OF THE ISSUE

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

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

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

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

UNDERWRITING

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by the Underwriter Hem Securities Limited.
Pursuant to the terms of the Underwriting Agreement dated March 10, 2022entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	**No. of shares underwritten**	**Amount Underwritten (₹ in Lakhs)**	**% of Total IssueSize Underwritten**
Hem Securities Limited Address: - 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400013, India Tel No.: +91-22-4906 0000 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Mrs. Roshni Lahoti SEBI Registration Number.: INM000010981	**30,48,000**	**[•]**	**100%**

**Includes up to 1,56,000Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker Hem Finlease Private Limitedin its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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

CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

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

Details of Auditor	Date of Change	Reason
SANDEEP SHAH & ASSOCIATES **Address**: 26, Mistry Building, 2nd Floor, 635 J S S Road, Near Metro Adlabs, Mumbai, Maharashtra 400002. **Tel**: +91 22 2203 1967/68 **Website**:www.sandeepshahassociates.icai.org.in **Email**: associates.skshah@gmail.com **Contact Person:** CA Sandeep Shah FRN No. :109071W Membership No.: 038819	November 26, 2021	M/s. Sandeep Shah & Associates, Chartered Accountants are not peer reviewed firm by the board of ICAI and have therefore resigned to ensure proper compliance.
CNK & ASSOCAITES LLP **Address**: The Nirat, 3rd Floor, 18. Windward Business Park, Behind Emerald One Complex, Jetalpur Road, Vadodara, Gujarat, 390007. **Tel**: +91 265 234 3483, +91 265 235 4359 **Website**: www.cnkindia.com **Email**: vadodara@cnkindia.com **Contact Person:** CA Alok Shah FRN No. :101961W/W-100036 Membership No.: 042005	November 30, 2021	Appointment

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Book Running Lead Manager has entered into Market Making Agreement dated March 10, 2022with the following Market Maker, to fulfill the obligations of Market Making for this issue:

Name	Hem Finlease Private Limited
Correspondence Address:	203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India.
Tel No.:	0141-4051000
E-mail:	ib@hemsecurities.com
Website:	www.hemsecurities.com
Contact Person:	Mr. Ashok Soni
SEBI Registration No.:	INZ000167734
Market Maker Registration No.	SMEREG2020090906741

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

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

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE Emerge and SEBI from time to time.
  - The minimum depth of the quote shall be ₹1,00,000/- . However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE Emerge (in this case currently the minimum trading lot size is [•] Equity shares; however the same may be changed by the NSE from time to time).

- After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.

- There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.

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

- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.

- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final

- The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.
  In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106 V of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.

- **Risk containment measures and monitoring for Market Makers**: NSE Emerge will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE Emerge can impose any other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Makers:** NSE Emerge Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

- **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

- Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹20 Crore	25%	24%
₹20 to ₹50 Crore	20%	19%
₹50 to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

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

i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

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

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

S. No.	Market Price Slab (in Rs.)	Proposed Spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	7
4.	Above 100	6

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

CAPITAL STRUCTURE

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

(Amt. in Lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	**Authorized Share Capital** 1,20,00,000 Equity Shares having Face Value of ₹ 10/- each.	1200.00	[●]
B	**Issued, Subscribed & Paid-up Share Capital prior to the Issue** 84,00,000 Equity Shares having Face Value of ₹10/- each.	840.00	[●]
C	**Present Issue in terms of this Red Herring Prospectus*** 30,48,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per share	304.80	[●]
	Which comprises of:		
D	**Reservation for Market Maker Portion** 1,56,000 Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
E	**Net Issue to Public** Net Issue to Public of 28,92,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share to the Public	[●]	[●]
	Of which:		
(i)	At least 10,14,000 Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
(ii)	At least 4,35,000 Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Non-Institutional Investors		
(ii)	Not more than 14,43,000 Equity Shares aggregating up to₹[●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds.	[●]	[●]
F	**Issued, Subscribed and Paid up Equity Share Capital after the Issue**		
	1,14,48,000Equity Shares of face value of ₹10/- each	1144.80	
G	**Securities Premium Account**		
	Before the Issue (as on date of this Red Herring Prospectus)	Nil	
	After the Issue	[●]	

**The Present Issue of 30,48,000 Equity Shares in terms of this Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated November 26th, 2021 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Annual General Meeting of the members held on November 30th, 2021.*

Classes of Shares-

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

NOTES TO THE CAPITAL STRUCTURE

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

Sr.	Particulars of	Cumulative No. of	Cumulative	Date of Meeting	Whether

No.	increase	Equity Shares	Authorized Share Capital (Rs. in lakhs)		AGM/EGM
1.	On incorporation	1,00,000	10.00	On incorporation	N.A.
2.	Increase in Authorised Share Capital from ₹ 10.00 Lakhs to ₹ 100.00 Lakhs	10,00,000	100.00	March 11, 2014	EGM
3.	Increase in Authorised Share Capital from ₹ 100.00 Lakhs to ₹ 320.00 Lakhs	32,00,000	320.00	March 28, 2014	EGM
4.	Increase in Authorised Share Capital from ₹ 320.00 Lakhs to ₹ 600.00 Lakhs	60,00,000	600.00	February 28, 2015	EGM
5	Increase in Authorised Share Capital from ₹ 600.00 Lakhs to ₹ 1200.00 Lakhs	1,20,00,000	1200.00	September 02, 2021	EGM

2. Equity Share Capital History of our Company:

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

Date of Allotment of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable (₹)	Consideration Cash/ Other than Cash	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Securities Premium (₹)	Cumulative Paid Up Capital (₹)
Upon Incorporation	1,00,000	10	10	Cash	Subscription to MOA[(i)]	1,00,000	Nil	10,00,000
March 29, 2014	31,00,000	10	10	Cash	Further Issue [(ii)]	32,00,000	Nil	3,20,00,000
February 6, 2016	4,00,000	10	12.50	Cash	Right Issue [(iii)]	36,00,000	10,00,000	3,60,00,000
March 25, 2016	6,00,000	10	12.50	Cash	Right Issue [(iv)]	42,00,000	25,00,000	4,20,00,000
September 24, 2021	42,00,000	10	-	Other than Cash	Bonus Issue [(v)]	84,00,000	Nil	8,40,00,000

(i) Initial Subscribers to the Memorandum of Association subscribed 1,00,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

S. No.	Name of Subscribers	Number of Shares Subscribed
1.	Mr.Ankur Ashwin Shah	40,000

2.	Late Mr. Ashwin Natwarlal Shah	40,000
3.	KrishIndustriesPrivate limited	10,000
4.	Krish Commodities(India) Private limited	7,000
5.	Mr.DilipNatwarlalShah	1,000
6.	Mr.KiranB.Shah	1,000
7.	Mr.ChetanKuberdasDharia	1,000
	Total	**1,00,000**

(ii) Further Issue of 31,00,000 Equity Shares of Face Value of Rs.10/- each as per details given below:

S. No.	Name of Subscribers	Number of Shares Subscribed
1.	Mr.AnkurAshwinShah	12,40,000
2.	Late Mr.AshwinNatwarlalShah	12,40,000
3.	KrishIndustriesPrivate limited	3,10,000
4.	Krish Commodities(India) Private limited	2,17,000
5.	Mr.DilipNatwarlalShah	31,000
6.	Mr.KiranB.Shah	31,000
7.	Mr.ChetanKuberdasDharia	31,000
	Total	**31,00,000**

(iii) *Right Offer of 4,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid up in the ratio of 12.5 equity shares for every 100 equity shares held on the record date i.eNovember 18, 2015as per the details mentioned below:*

S. No.	Name of Subscribers	Number of Shares Subscribed
1.	Mr.AnkurAshwinShah	160,000
2.	Late Mr.AshwinNatwarlalShah	160,000
3.	KrishIndustriesPrivate limited	40,000
4.	Krish Commodities(India) Private limited	28,000
5.	Mr.DilipNatwarlalShah	4,000
6.	Mr.KiranB.Shah	4,000
7.	Mr.ChetanKuberdasDharia	4,000
	Total	**4,00,000**

(iv) *Right Offer of 6,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid up in the ratio of 1 (One) equity shares for every 6 (Six) equity shares held on the record date i.eMarch06, 2016, as per the details mentioned below:*

S. No.	Name of Subscribers	Number of Shares Subscribed
1.	Mr.AnkurAshwinShah	2,40,000
2.	Late Mr.AshwinNatwarlalShah	2,40,000
3.	KrishIndustriesPrivate limited	60,000
4.	Krish Commodities(India) Private limited	42,000
5.	Mr.DilipNatwarlalShah	6,000
6.	Mr.KiranB.Shah	6,000
7.	Mr.ChetanKuberdasDharia	6,000
	Total	**6,00,000**

(v) *Bonus Issue of 42,00,000 Equity Shares of Face Value of Rs.10/- each in the ratio of 1:1 i.e. One Equity share for every one equity share held by shareholders as per details given below:*

S. No.	Name of Subscribers	Number of Shares Subscribed
1.	Mr.AnkurAshwinShah	26,26,945
2.	Mrs.PallaviAshwin Shah	8,16,855
3.	Krish Industries Private limited	4,20,000
4.	Krish Commodities (India) Private limited	2,94,000

5.	Mrs.PreyalAnkur Shah	42,000
6.	Ankur Shah HUF	100
7.	Ashwin Shah HUF	100
	Total	**42,00,000**

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

b) As on the date of this Red Herring Prospectus, our Company does not have any Preference Share Capital.

3. Issue of Equity Shares for consideration other than cash

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

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares Allotted
September 24, 2021	42,00,000	10	-	Bonus in the ratio of 1:1 i.e. 1Equity Share for every 1 Equity Share held	Capitalization of Reserves & Surplus*	Mr.AnkurAshwinShah	26,26,945
						Mrs.PallaviAshwin Shah	8,16,855
						Krish Industries Private limited	4,20,000
						KrishCommoadities (India) Private limited	2,94000
						Mrs.PreyalAnkur Shah	42,000
						Ankur Shah HUF	100
						Ashwin Shah HUF	100

**Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part ofrevaluation reserve has been utilized for the purpose.*

4. Details of Allotment made in the last two years preceding the date of Red Herring Prospectus:

Except as mentioned in point 2a(v) above, we have not issued any Equity Share in the last two years preceding the date of Red Herring Prospectus.

5. No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.

6. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.

7. Except for the Bonus Issue made on September 24, 2021 for 42,00,000 Equity Shares as mentioned in point no. 2a(v) above, no Equity shares have been issued at price below the Issue price within last one year from the date of the Red Herring Prospectus.

8. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

9. Shareholding Pattern of the Company

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

I - Our Shareholding Pattern: -

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each^	Class eg: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoter & Promoter Group	7	84,00,000	-	-	84,00,000	100.00	84,00,000	-	84,00,000	100.00	-	-	-		-		84,00,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Total	**7**	**84,00,000**	**-**	**-**	**84,00,000**	**100.00**	**84,00,000**	**-**	**84,00,000**	**100.00**	**-**	**-**	**-**		**-**		**84,00,000**

Notes-

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

We have only one class of Equity Shares of face value of Rs.10/- each.
We have entered into tripartite agreement with CDSL dated September 22, 2021 & NSDL dated September 17, 2021.
Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity Shares.

II – Shareholding pattern of the Promoter and Promoter Group

S.No.	Category &Name of the Shareholders	No. of share holders	No. of fully paid up equity share s held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of A+B+C2	Number of Locked in shares		Number of Shares pledged or otherwise		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Share s held (b)	No. (a)	As a % of total share s held (b)	
								Class Equity Shares of Rs.10/- each	Class Y	Total								
	I	II	III	IV	V	VI=IV+V+VI	VII	VIII				IX	X = VI+ IX	XI		XII		XIII
(1)	Indian																	
(a)	Individuals/ Hindu undivided Family	5	69,72,000	-	-	69,72,000	83.00	69,72,000	-	69,72,000	83.00	-	-	-		-		69,72,000
	Mr. AnkurAshwin Shah	1	52,53,890	-	-	52,53,890	62.55	52,53,890	-	52,53,890	62.55	-	-	-		-		52,53,890
	Mrs. PallaviAshwin Shah	1	16,33,710	-	-	16,33,710	19.45	16,33,710	-	16,33,710	19.45	-	-	-		-		16,33,710
	Mrs. PreyalAnkur	1	84,000	-	-	84,000	1.00	84,000	-	84,000	1.00	-	-	-		-		84,000

	Shah															
	Ankur Shah HUF	1	200	-	-	200	0.00	200	-	200	0.00	-	-	-	-	200
	Ashwin Shah HUF	1	200	-	-	200	0.00	200	-	200	0.00	-	-	-	-	200
(b)	Central Government/ State Government(s)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other															
	Body Corporate	2	14,28,000	-	-	14,28,000	17.00	14,28,000	-	14,28,000	17.00	-	-	-	-	14,28,000
	M/s KrishIndustries Private limited	1	8,40,000	-	-	8,40,000	10.00	8,40,000	-	8,40,000	10.00	-	-	-	-	8,40,000
	M/s Krish Commodities (India) Private limited	1	5,88,000	-	-	5,88,000	7.00	5,88,000	-	5,88,000	7.00	-	-	-	-	5,88,000
	Sub-Total (A)(1)	**7**	**84,00,000**	**-**	**-**	**84,00,000**	**100.00**	**84,00,000**	**-**	**84,00,000**	**100.00**	**-**	**-**	**-**	**-**	**84,00,000**
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non- Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	(specify)															
	Sub-Total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**7**	**84,00,000**	**-**	**-**	**84,00,000**	**100.00**	**84,00,000**	**-**	**84,00,000**	**100.00**	**-**	**-**	**-**	**-**	**84,00,000**

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

III- Shareholding pattern of the Public shareholder

S.No.	Category & Name of the Shareholders	No. of share holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total 79hare s held (b)	No. (not applicable) (a)	As a % of total share s held (not applicable) (b)	
								Class Equity Shares of Rs.10/- each	Class Y	Total								
	I	II	III	IV	V	VI=III+IV+V	VII	VIII				IX	X= VI+IX	XI		XII		XIII
(1)	**Institutions**																	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(e)	Foreign Portfolio	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-

	Investors															
(f)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(2)	**Central Government/ State Government(s) / President of India**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	**-**	**-**	**-**	**-**			**-**		**-**	**-**	**-**	**-**	**-**	**-**	**-**
(3)	**Non-institutions**															
(a)	Individuals															
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	-	**-**	**-**	**-**			**-**		**-**	**-**	**-**	**-**	**-**	**-**	**-**
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	**-**	**-**	**-**	**-**			**-**		**-**	**-**	**-**	**-**	**-**	**-**	**-**
(b)	NBFCs	**-**	**-**	**-**	**-**			**-**		**-**	**-**	**-**	**-**	**-**	**-**	**-**

	registered with RBI															
(c)	Employee Trusts	-	-	-	-			-		-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-			-		-	-	-	-	-	-	-
(e)	Any Other Body Corporate	-	-	-	-			-		-	-	-	-	-	-	-
	Sub-Total (B)(3)	-	-	-	-			-		-	-	-	-	-	-	-
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	-	-	-	-			-		-	-	-	-	-	-	-

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

S.No.	Category & Name of the Shareholders	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in Share dematerialized form (Not applicable)
								No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (not applicable)	As a % of total shares held (not applicable)	
								Class Equity Shares of Rs.10/- each	Class Y	Total								
	I	II	III	IV	V	VI=III+IV+V	VII	VIII				IX	X= VI+IX	XI		XII		XIII
(1)	Custodian/DR Holder																	
(a)	Name of Holder (if available)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (c) (1)	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (C) (2)	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total Non-Promoter Non-Public shareholding (C)= (C)(1)+ (C) (2)	**0**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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

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

Sr.No.	Names of Shareholder	Shares Held (Face Value of Rs.10 each)	% Pre Issue paid up Share Capital
1.	Mr.AnkurAshwinShah	52,53,890	62.55%
2.	Mrs.PallaviAshwinShah	16,33,710	19.45%
3.	M/s Krish IndustriesPrivate limited	8,40,000	10.00%
4.	M/s Krish Commodities(India) Private limited	5,88,000	7.00%
5.	Mrs. Preyal Ankur Shah	84,000	1.00%
	Total	**83,99,600**	**100.00%**

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

Sr.No.	Names of Shareholder	Shares Held (Face Value of Rs.10 each)	% Pre Issue paid up Share Capital
1.	Mr.AnkurAshwinShah	52,53,890	62.55%
2.	Mrs.PallaviAshwinShah	16,33,710	19.45%
3.	M/s Krish IndustriesPrivate limited	8,40,000	10.00%
4.	M/s Krish Commodities(India) Private limited	5,88,000	7.00%
5.	Mrs. Preyal Ankur Shah	84,000	1.00%
	Total	**83,99,600**	**100.00%**

c) One Year prior to the date of filling of this Red Herring Prospectus: -

Sr.No.	Names of Shareholders	Shares Held (Face Value of Rs.10 each)	% Pre-Offer paid up Share Capital
1.	Mr.AnkurAshwinShah	26,26,945	62.55%
2.	Mrs.PallaviAshwinShah	8,16,855	19.45%
3.	M/s Krish IndustriesPrivate limited	4,20,000	10.00%
4.	M/s Krish Commodities(India) Private limited	2,94,000	7.00%
5.	Mrs. Preyal Ankur Shah	42,000	1.00%
	Total	**41,99,800**	**100.00%**

d) Two Year prior to the date of filling of this Red Herring Prospectus: -

Sr.No.	Names of Shareholders	Shares Held (Face Value of Rs.10 each)	% Pre-Offer paid up Share Capital
1.	Mr.AnkurAshwinShah	26,26,945	62.55%
2.	Mrs.PallaviAshwinShah	8,16,855	19.45%
3.	M/s Krish Industries Private limited	4,20,000	10.00%
4.	M/s Krish Commodities (India) Private limited	2,94,000	7.00%
5.	Mrs. Preyal Ankur Shah	42,000	1.00%
	Total	**41,99,800**	**100.00%**

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of filing of this Red Herring Prospectus.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

13. Capital Buildup in respect of Shareholding of our Promoter

As on the date of this Red Herring Prospectus, Our Promoter, Mr. AnkurAshwinShah holds 52,53,890 Equity Shares of our Company. None of the Equity Shares held by our Promoter are subject to any pledge.

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

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding%	Post-Issue Shareholding %
(A) Mr.AnkurAshwinShah							
September 10, 2013	40,000	10.00	10.00	Cash	On Incorporation	0.48	0.35
March29, 2014	12,40,000	10.00	10.00	Cash	Allotment	14.76	10.83
February 06, 2016	1,60,000	10.00	12.50	Cash	Allotment	1.90	1.40
March 25, 2016	2,40,000	10.00	12.50	Cash	Allotment	2.86	2.10
March 14, 2017	(100)	10.00	21.51	Cash	Transfer of Shares[(i)]	-(0.00)	-(0.00)
December 14, 2019	9,47,045	10.00	-	Cash	Received In case of Transmission[(ii)]	11.27	8.27
September 24, 2021	26,26,945	10.00	-	Other than Cash	Bonus Allotment	31.27	22.95
Total	**52,53,890**					**62.55**	**45.89**

Note: None of the Shares has been pledged by our Promoter.

(i) Details of sale of Shares by Mr. AnkurAshwinShah of 100 Equity Shares dated March 14, 2017.

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1.	March 14, 2017	Mr.AnkurAshwin Shah	100	Ankur Shah HUF
Total			**100**	

(ii) Details of acquisition of Shares Received In case of Transmission by Mr. AnkurAshwin Shah of 9,47,045 Equity Shares dated December 14, 2019.

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares	Name of Transferee
1	December 14, 2019	LateMr.AshwinNatwarlal Shah	9,47,045	Mr.AnkurAshwin Shah
Total			**9,47,045**	

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

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1	Mr.AnkurAshwin Shah	52,53,890	5.25

15. Shareholding of Promoter & Promoter Group

Following are the details of pre and post Issue shareholding of persons belonging to the category "Promoter and Promoter Group":

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoter				
1	Mr. AnkurAshwin Shah	52,53,890	62.55	52,53,890	45.89
	Sub Total (A)	**52,53,890**	**62.55**	**52,53,890**	**45.89**
	Promoter Group				
2	Mrs. PallaviAshwin Shah	16,33,710	19.45	16,33,710	14.27
3	KrishIndustriesPrivate limited	8,40,000	10.00	8,40,000	7.34
4	Krish Commodities(India) Private limited	5,88,000	7.00	5,88,000	5.14
5	Mrs. PreyalAnkur Shah	84,000	1.00	84,000	0.74
6	Ankur Shah HUF	200	0.00	200	0.00
7	Ashwin Shah HUF	200	0.00	200	0.00
	Sub Total (B)	**31,46,110**	**37.45**	**31,46,110**	**27.49**
	Grand Total (A+B)	**84,00,000**	**100.00**	**84,00,000**	**73.38**

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

Date of Allotment	Particulars	No. of Equity Shares	% of Pre-Issue Capital	Subscribed/ Acquire/ Transfer	Category of Allottees (Promoter/ Promoter Group/ Director)
September 24, 2021	Mr.AnkurAshwin Shah	26,26,945	31.27	Bonus Allotment	Managing Director & Promoter
	Mrs.PallaviAshwin Shah	8,16,855	9.72		Promoter Group
	Krish Industries Private limited	4,20,000	5.00		Promoter Group
	Krish Commodities (India) Private limited	2,94000	3.50		Promoter Group
	Mrs.PreyalAnkur Shah	42,000	0.50		Non-Executive Director

					&Promoter Group
	Ankur Shah HUF	100	0.00		Promoter Group
	Ashwin Shah HUF	100	0.00		Promoter Group

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

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

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post issue capital held by our Promoter shall be considered as Promoter's Contribution **("Promoter's Contribution")** and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Red Herring Prospectus, our Promoter hold 52,53,890 Equity Shares constituting 45.89% of the Post – Issued, subscribed and paid up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoter have given written consent to include 24,00,000 Equity Shares held by them and subscribed by them as part of Promoter's Contribution constituting 20.96% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ transfer and made fully paid up	No. of Equity Shares locked-in*	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
Mr.AnkurAshwinShah						
September 24, 2021	24,00,000	10	-	Bonus Allotment	20.96	3 years
Total	**24,00,000**				**20.96**	

*Assuming full subscription to the Issue

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

No Equity Shares proposed to be locked-in as Minimum Promoter's Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

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

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

Reg. No.	Promoter's Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. **Hence Eligible**
237 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible**
237 (1) (b)	Specified securities acquired by promoter during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**
237(1) (c)	Specified securities allotted to promoter during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoter of the issuer and there is no change in the management: Provided that specified securities, allotted to promoter against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoter have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**

Details of Promoter's Contribution Locked-in for One Year

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter's contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 60,00,000Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

Other requirements in respect of lock-in:

a) In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked in Equity Shares held by the Promoter as specified above, can be pledged with any scheduled commercial bank or public financial institutionor a systemically important non-banking finance company or a housing finance company as

collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter's contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

b) In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoter prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

c) Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, the specified securities held by the promoter and locked-in as per regulation 238 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

24. Neither, we nor our Promoter, Directors and the BRLM to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.

25. As on the date of this Red Herring Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful bidders will be allotted fully paid up Equity shares.

26. The BRLM i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Red Herring Prospectus.

27. As on the date of this Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

28. We have 7(Seven) equity shareholders as on the date of filing of this Red Herring Prospectus.

29. As on the date of filing of this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoter or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer

30. Our Company has not raised any bridge loan against the proceeds of the Issue.

31. As on the date of this Red Herring Prospectus, none of the shares held by our Promoter / Promoter Group are subject to any pledge.

32. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
33. None of our Equity Shares has been issued out of revaluation reserve created out of revaluation of assets.

34. An over-subscription to the extent of 1% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so

made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

35. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

36. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.

37. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.

38. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.

39. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

40. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.

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

42. Other than the Equity Shares, there is no other class of securities issued by our Company.

43. There are no safety net arrangements for this public issue.

44. As per RBI regulations, OCBs are not allowed to participate in this issue.

45. Our Promoter and Promoter Group will not participate in this Issue.

46. This Issue is being made through Book Built Price Issue.

47. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

48. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

49. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Bidder.

50. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of registering the Red Herring Prospectus/ Prospectus with the RoC and the Bid/ Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of up to 30,48,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects: -

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

*(Collectively referred as the "**Objects**")*

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

Our Company is engaged in the diversified business of manufacturing defence application products, dairy equipment products and kitchen equipments. We have entered into various licensing agreement with Defence Research and Development Organisation ("DRDO") for obtaining the know-how and rights to enable us to manufacture and supply specialized Defence Application products for the Indian Armed Forces. Our defence application products include providing a wide array of high performance systems for naval applications and border defence applications. We manufacture and assemble products like: bulb bar, ballast bricks, special weld consumables, food container and space heating device or bukhari.

Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	**Amt** (Rs. **in Lacs)**
Gross Proceeds of the Issue	[●]
Less: Issue related expenses in relation to Issue	[●]
Net Proceeds	[●]

Requirement of Funds and Utilization of Net Proceeds

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

S. No	**Particulars**	**Amt (Rs. in Lacs)**
1.	To meet Working Capital requirements	900.00
2.	General Corporate Purpose	[●]
	Total	[●]

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

Means of Finance

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

Particulars	**Amt** (Rs. **in Lacs)**
Net Issue Proceeds	[●]
Total	[●]

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

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

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

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled ***"Risk Factors"*** beginning on page 29 of the Red Herring Prospectus.

Details of Utilization of Net Proceeds

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

1. To Meet Working Capital Requirement

With the expansion of the business the company will be in the need of additional working capital requirements. The major capital will be invested in the trade receivables and inventories as the money gets blocked in them. The Company will meet the requirement to the extent of Rs. 900 Lakhs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirement.

Details of Estimation of Working Capital requirement are as follows:

(Amt. in Lakhs)

S. No.	Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	Actual (Restated)	Estimated	Estimated
		31-March-2019	31-March-2020	31-March-2021	30-Sep-2021	31-March-2022	31-March-2023
I	**Current Assets**						
	Inventories	1,113.08	2,058.82	1,528.02	1,597.87	2243.99	2863.28
	Trade receivables	3,161.11	1,217.66	1,320.79	1,219.62	1740.75	2268.75
	Cash and bank balances (excluding IPO Proceeds)	901.63	1,102.56	908.96	994.11	1125.54	1247.76
	Short Term Loans and Advances	62.79	83.88	113.46	122.49	232.10	302.50
	Other current assets	142.76	308.47	312.29	372.45	429.94	528.37
	Total(A)	**5,381.37**	**4,771.39**	**4,183.52**	**4,306.54**	**5772.31**	**7210.66**
II	**Current Liabilities**						

	Trade payables	1699.49	1071.99	672.91	986.30	1661.86	1267.88
	Other current liabilities	553.75	817.71	480.60	395.22	659.87	842.78
	Short-term provisions	51.62	52.08	80.29	106.13	194.46	273.41
	Total (B)	**2,304.86**	**1,941.78**	**1,233.80**	**1,487.65**	**2516.19**	**2384.07**
III	**Total Working Capital Gap (A-B)**	**3,076.51**	**2,829.61**	**2,949.72**	**2,818.89**	**3256.12**	**4826.59**
IV	Funding Pattern						
	Borrowings and Internal accruals	**3,076.51**	**2,829.61**	**2,949.72**	**2,818.89**	**3256.12**	**3926.59**
	IPO Proceeds						**900.00**

Justification:

S. No.	Particulars
Debtors	We have assumed Debtors holding period to be at around 135days for FY 2022-23 and F.Y. 2021-22as compared to 132 days in F.Y. 2020-2021 and 320 days in F.Y. 2019-2020 and 178 days in FY 2018-19
Creditors	We have assumed Creditors payment period to be at around 140 days in FY 2022-23 and220days for F.Y. 2021-22 as compared to 294 days in F.Y. 2020-2021 and 320 days in F.Y. 2019-2020 and 123 days in FY 2018-19
Inventories	We have assumed Inventories holding period to be at around 150 days for FY 2022-23 and F.Y. 2021-22 as compared to 388 days in F.Y. 2020-2021 and 811 days in F.Y. 2019-2020 and 95 days in FY 2018-19

2. General Corporate Purpose

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

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

3. Public Issue Expenses

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

Activity	(Rs. in Lakh) *	As a % of Estimates Issue Expenses	As a % of Issue Size
Lead Manger Fees	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]

Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Processing Fees*, Underwriting fees and Miscellaneous Expenses)	[●]	[●]	[●]
Total	[●]	[●]	[●]

1) Processing fees payable to the SCSBs on the portion for Retail Individual Bidders & Non-Institutional Bidders which are either procured directly by them or by Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

*Portion for Retail Bidders **	*₹10 per valid application (plus applicable taxes)*
*Portion for Non Institutional Bidders **	*₹10 per valid application (plus applicable taxes)*

**Based on valid applications*

2) No Selling Commission will be payable to the SCSB on the applications directly procured by them or procured through Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking

3) The Selling Commission payable to the Registered Broker will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Registered Broker. The selling commission and bidding charges payable to Registered Brokers, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of NSE.

3) Selling commission on the portion for Retail Individual Bidders & Non-Institutional Bidders which are procured by Registered Broker, RTAs and CDPs would be as follows:

*Portion for Retail Bidders **	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Non Institutional Bidders **	*0.20% of the Amount Allotted (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price including commission payable to sponsor bank*

Selling commission/ uploading charges payable to the Registered Brokers on the portion for Retail Individual Bidders procured through UPI Mechanism and Non Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing:

*Portion for Retail Bidders **	*₹10 per valid application (plus applicable taxes)*
*Portion for Non Institutional Bidders **	*₹10 per valid application (plus applicable taxes)*

Uploading charges/ processing fees for applications made by for Retail Individual Bidders using the UPI Mechanism would be as under:

Sponsor Bank	*₹8 per valid application * (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws*

**For each valid application*

Proposed Schedule of Implementation:

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

(Amt. in Lakhs)

Sr. No.	Particulars	Amount to be deployed and utilized in
		F.Y. 22-23

1.	To meet Working Capital requirements	900.00
2.	General Corporate Purpose	[●]
3.	Issue Expenses	[●]
	Total	[●]

Funds Deployed and Source of Funds Deployed:

CNK & Associates LLP, Chartered Accountants vide their certificate dated March 12, 2022have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	**Amt (Rs. in Lakh)**
Issue Expenses	5.65
Total	5.65

Sources of Financing for the Funds Deployed:

CNK & Associates LLP, Chartered Accountants vide their certificate dated March 12, 2022 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	**Amt (Rs. in Lakh)**
Internal Accruals	5.65
Total	5.65

Appraisal

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

Shortfall of Funds

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

Bridge Financing Facilities

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

Monitoring Utilization of Funds

As the size of the Issue will not exceed Rs.10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

Interim Use of Proceeds

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

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

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other confirmations

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

BASIS FOR ISSUE PRICE

*Investors should read the following summary with the section titled "**Risk Factors**", the details about our Company under the section titled **"Our Business"** and its financial statements under the section titled **"Financial Information of the Company"** beginning on page 29, 118 and 174 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.*

Price Band/Issue Price shall be determined by our Company in consultation with the Book Running LeadManager on the basis of the assessment of market demand for the Equity Shares through the BookBuilding Process and on the basis of the qualitative and quantitative factors as described in thissection. The face value of the Equity Shares is Rs. 10/- each and the Issue Price is [●] times of theface value at the lower end of the Price Band and [●] times of the face value at the upper end of thePrice Band.

For the purpose of making an informed investment decision, the investors should also refer **"*Risk Factors*"**, **"*Our Business*"** and **"*Financial Information of the Company*"** beginning on Page no. 29, 118 and 174 respectively of this Red Herring Prospectus.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- We offer a diversified range of products.
- Precision engineering expertise with complex product manufacturing capability
- Strong R&D capabilities with a focus on innovation
- Long Standing Relationship with our customers
- Experienced and Qualified Management and Employee base.

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled ***"Our Business"*** beginning on page 118 of the Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled ***"Financial Information of the Company"*** on page 174 of this Red Herring Prospectus.

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

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

As per the Restated Financial Statements;

Sr. No	Period	Basic & Diluted	Weights
1	Period ending March 31, 2021	2.31	3
2	Period ending March 31, 2020	0.89	2
3	Period ending March 31, 2019	2.46	1
	Weighted Average	**1.86**	
	Period ending September 30, 2021	**1.45**	

Notes:

i. *The figures disclosed above are based on the Restated Financial Statements of the Company as adjusted with the effect of issue of Bonus shares.*
ii. *The face value of each Equity Share is* Rs.*10.00.*
iii. *Earnings per Share has been calculated in accordance with* ***Accounting Standard 20 – "Earnings per Share"*** *issued by the Institute of Chartered Accountants of India.*
iv. *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure D*
v. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period*
vi. *Diluted Earnings per Share = Net Profit/ (Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.*

Price Earning (P/E) Ratio in relation to the Price Band of Rs. [●] to Rs. [●] per Equity Share of Face Value of Rs 10/- each fully paid up.

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2021	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

Industry P/E Ratio

There are no listed companies in India that are engaged in a business similar to that of our company accordingly it is not possible to provide an industry comparison in relation to our company.

Return on Net worth (RoNW)*

Sr. No	Period	RONW%	Weights
1	Period ending March 31, 2021	10.74%	3
2	Period ending March 31, 2020	4.64%	2
3	Period ending March 31, 2019	13.45%	1
	Weighted Average	**9.16%**	
	Period ending September 30, 2021	6.34%	

**Restated Profit after tax/Net Worth*

Note:

i. The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period

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

Sr. No.	NAV per Equity Share*	NAV
1	As at March 31, 2021	21.46
2	As at March 31, 2020	19.16
3	As at March 31, 2019	18.27
4.	NAV per Equity Share after the Issue at Floor Price	[●]
5.	NAV per Equity Share after the Issue at Cap Price	[●]
6.	Floor Price	[●]
7.	Cap Price	[●]

8.	Issue Price	[●]
9.	As at September 30, 2021	22.92

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

Note:*The NAV per Equity Share has been computed by dividing restated networth with weighted average number of equity shares outstanding at the end of the year/period.*

6. Comparison of Accounting Ratios with Industry Peers

There are no listed companies in India that are engaged in a business similar to that of our company accordingly it is not possible to provide an industry comparison in relation to our company.

Krishna Defence and Allied Industries Limited is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Mumbai Edition of Regional newspaper Navshakti where the registered office of the company is situated each with wide circulation.

The Price Band/Floor Price/Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLMon the basis of the above information. Investors should read the abovementioned information along with ***"Our Business", "Risk Factors" and "Restated Financial Statements"*** on pages 118, 29 and 174 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in ***"Risk Factors"*** or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

To,

The Board of Directors,
Krishna Defence and Allied Industries Limited, (formerly known as – Krishna Allied Industries Limited)
344, Floor-3, Plot-267, A To Z Industrial Estate,
Ganapatrao Kadam Marg, Lower Parel,
Delisle Road, Mumbai – 400013,
Maharashtra.

Dear Sir,

Sub: Statement of Possible Tax Benefits ('The Statement') available to Krishna Defence and Allied Industries Limited ("The Company") and its shareholders prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended ("The Regulation")

We hereby report that the enclosed annexure prepared by **Krishna Defence and Allied Industries Limited** ("the Company"), states the possible special Tax benefits available to **Krishna Defence and Allied Industries Limited** ("the Company") and the shareholders of the Company under the Income - Tax Act, 1961 ('the Act') as amended by the Finance Act 2021, circular and notifications issued from time to time, i.e. applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ("GST Act"), as amended by the Finance Act 2021, circular and notifications issued from time to time, i.e., applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, presently in force in India (together, the" Tax Laws"). Several of these benefits are dependent on the Company and / or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives, the Company may or may not choose to fulfill.

1. The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("the Issue") by the Company.

2. We do not express any opinion or provide any assurance as to whether:
   a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or
   b) The conditions prescribed for availing the benefits have been / would be met with.

3. 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.

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.

5. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not

be liable to any other person in respect of this statement.

6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Offer document/ Offer Document in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

For C N K & ASSOCIATES, LLP
Chartered Accountants
FRN: 101961W/W-100036

Sd/-

Alok Shah
Partner
Membership No.: 042005
Place: Vadodara
Date: February 08, 2022
UDIN: 22042005AAVTJP7018

ANNEXURE 1 TO THE STATEMENT OF POSSIBLE TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

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.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Offer Document/Offer Document

ANNEXURE 2 TO THE STATEMENT OF POSSIBLE TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the GST Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

C. SPECIAL TAX BENEFITS TO THE COMPANY

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

D. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

Note:

3. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

4. 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.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Offer Document/Offer Document

SECTION V

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Red Herring Prospectus, including the information in ***"Our Business"*** *and* ***"Financial Information of the Company"*** *beginning on pages 118 and 174 respectively of this Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see* ***"Risk Factors"*** *beginning on page 29 of this Red Herring Prospectus.*

World Economic Outlook

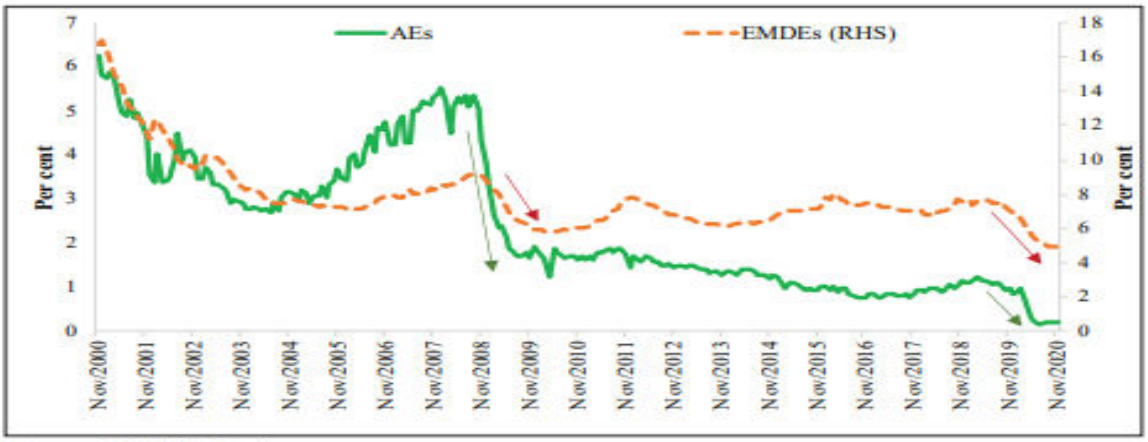
Global economic growth is now expected to be 5.8% this year, a sharp upwards revision from the December 2020 Economic Outlook projection of 4.2% for 2021. The vaccines rollout in many of the advanced economies has been driving the improvement, as has the massive fiscal stimulus by the United States. World GDP growth is expected to be 4.4% next year but global income will still be some USD 3 trillion less by end 2022 than was expected before the crisis hit. USD 3 trillion is about the size of the entire French economy.

Differences in the strength of economic recovery across countries are being driven by the extent of government support to vulnerable workers and businesses, by a country's dependency on particular sectors such as tourism (Rebuilding tourism for the future), as well as by public health and vaccination policies. Trade is also playing a role. Consumers have been spending less on services and more on goods since the pandemic began. The pick-up in merchandise trade has benefitted countries heavily involved in supply chains, particularly pharmaceuticals, medical supplies and IT material.

(Source: https://www.oecd.org/economic-outlook)

Monetary authorities across the world have eased monetary conditions with broad-based cuts in short-term policy rates and reserve requirements to support activity and provided emergency liquidity support to stabilize financial markets. Several central banks around the world engaged in unconventional monetary policy interventions in the form of long-term asset purchase programs (for the first time in many EMDEs), relending facilities, relaxation in asset provisioning requirements and supporting credit provision to a wide range of borrowers. The corresponding injections of reserve money into the banking system have been effective in stabilizing bond markets, reducing bond yields, boost equity prices without putting pressure on exchange rates.

Trend in Global Policy Rates



Source: World Bank

The deep economic contractions across many countries and heightened uncertainties about the post pandemic global economic landscape, however, may set back long-term growth prospects

(Source: https://www.indiabudget.gov.in/economicsurvey/doc/vol2chapter/echap01_vol2.pdf)

Overview of the Indian Economy

ECONOMIC GROWTH

COVID-19 pandemic led to disruptions in global economic activity impacting not only the lives but also livelihoods. The Indian industry experienced interlude in business activity leading to slowdown in its performance. With the gradual unlocking of the country coupled with supportive policy initiatives which included easing of supply side bottlenecks through easier access to credit especially, emergency credit line guarantee scheme to MSMEs, relief to the real estate sector, production-linked incentives for 14 champion sectors and other direct tax measures, the industrial growth started to recover. In the past few months, record vaccinations as well as improvement in consumer demand and business confidence have had a positive impact on the performance of the industrial sector. This period also saw a boost to digital infrastructure, structural reforms in telecommunications and big-ticket disinvestment in Air India. The pace of this recovery and further growth is likely to continue due to consistent efforts of the government to bring in various structural, fiscal and infrastructural reforms in addition to a slew of measures/ schemes like the production linked incentive scheme (PLI) to support industries .

The gross value addition at constant prices (GVA) in the industrial sector grew at the compound annual growth rate (CAGR) of 4.53 percent between 2011-12 and 2019-20 while total GVA grew by CAGR of 5.63 percent over the same period.The share of the industrial sector in the nominal GVA(at current prices) was 25.9 percent in 2020-21.With the industrial sector recovering and expected to grow at 11.8 percent, as per advance estimates for 2021-22 by National Statistical Office, industry's share is expected to increase to 28.2 percent.

Manufacturing, with an average share of 16.3 percent in nominal GVAover the last decade, has a dominant presence within the industrial sector. In 2020-21, the share of manufacturing fell to 14.4 percent but is expected to improve to15.3 percent in 2021-22. The share of electricity has been showing an increasing trend since 2012-13 and was 2.7 percent 2020-21. Figures 1 and 2 show value added in the industrial sector and growth respectively. In 2020-21, electricity, gas, water supply and other utility services was the only sub sector that had experienced a positive growth of 1.9 percent (table 1). In 2021-22, the manufacturing sector is expected to grow by 12.5 percent, mining and quarrying by 14.3 percent, construction by 10.7 percent and electricity, gas and water supply by 8.5 per cent. This improvement is on the back of industrial contraction in the corresponding period of the last financial year

Table 1: Growth in Gross Value Added in Industry

Sectors	Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
						3rdRE	2ndRE	1stRE	PE	1stAE
Mining & quarrying	0.6	0.2	9.7	10.1	9.8	-5.6	0.3	-2.5	-8.5	14.3
Manufacturing	5.5	5.0	7.9	13.1	7.9	7.5	5.3	-2.4	-7.2	12.5
Electricity, gas, water supply & other utility services	2.7	4.2	7.2	4.7	10.0	10.6	8.0	2.1	1.9	8.5
Construction	0.3	2.7	4.3	3.6	5.9	5.2	6.3	1.0	-8.6	10.7
Industry	3.3	3.8	7.0	9.6	7.7	5.9	5.3	-1.2	-7.0	11.8

Source: Survey calculations based on MoSPI data.

(Source: https://www.indiabudget.gov.in/economicsurvey/doc/eschapter/echap08.pdf)

Defense Industry Scenario

India accounts for 3.7% of the global military spending, making it the third highest military spender in the world. The defence expenditure constituted 2.9% of India's total GDP with approximately $72.9 billion spent on defence in 2020. Under the Field Artillery Rationalization Plan - 1,580 towed guns, 100 tracked guns, 814 Mounted Gun System will be required in India.
With the growing demand in the defence sector the government has identified it as one of the core areas to boost 'Atma Nirbhar Bharat or Self-Reliant India. The value of exports of defence items including major items in FY 2014-15 and 2020-21 was INR 1,940.64 crore and INR 8,434.84 crore respectively. The Government has also spelt out its vision of achieving a turnover of $25 bn including export of $5 bn in Aerospace and Defence goods and services by 2025.

To support defence modernisation, in the budget 2021-22 the defence capital outlay has been increased by 18.75% from the preceding year. This is the highest ever increment in the last 15 years.

The government of India has called for increased participation of defence manufacturing companies from the private sector to cater to the growing demand. The opening up of the Indian defence industry also paves the way for foreign original equipment manufacturers to enter strategic partnerships with defence equipment manufacturers in India.

The government aims to ensure transparency, predictability, and ease of doing business by creating a robust eco-system and supportive government policies. Towards this end the government has taken steps to bring about de-licensing, de-regulation, export promotion and foreign investment liberalisation. To meet export requirements, a draft Production and Export Promotion Policy (DPEPP) 2020 has also been formulated.

The Government of India has enhanced FDI in Defence Sector up to 74% through the Automatic Route for companies seeking new defence industrial license and up to 100% by Government Route.

To provide impetus to self-reliance in defence manufacturing it is necessary to develop a robust eco-system and supportive government policies.

DPEPP 2020

Ministry of Defence formulated a draft Defence Production and Export Promotion Policy 2020 (DPEPP) to position India amongst the leading countries of the world in defence and aerospace sectors

The 8 Pillars DPEPP 2020 are:

- Reform procurement ecosystem
- Indigenize and support MSME and start-ups
- Optimize resource allocation
- Promote investments, FDI and ease of doing business.
- Promote innovation and R&D
- Encourage and reform DPSUs and OFB
- Provide quality assurance and testing infrastructure
- Promote exports

Defence Acquisition Procedure 2020 (DAP)

The government released Defence Acquisition Procedure 2020 (DAP) to transform India into a global manufacturing hub with a focus on indigenously designed, developed, and manufactured weapon systems.

Under the DAP'20 offset guidelines have been revised to incentivize discharge of offsets. Preference would be given to manufacture complete defence products over components or sub-parts.

The offset guidelines have also been revised, wherein preference will be given to manufacture of complete defence products over components and various multipliers have been added to give incentivisation in discharge of offsets.

To engage better with foreign OEMs and enhance indigenous content, the following categories have been provided for procurement:

- Buy (Indian-IDDM)
- Buy (Indian)
- Buy & Make (Indian)
- Buy (Global-Manufacture in India)
- Buy (Global)

Positive Indigenization List

Under the 'Atmanirbhar Bharat' campaign of Govt of India, Ministry of Defence (MoD) has prepared a list of 209 items, Positive Indigenization List, for which there would be an embargo on the import beyond the timeline indicated against them. This would offer a great opportunity to the Indian defence industry to manufacture these items.

Strategic Partnership Model

In the defence sector, the 'Strategic Partnership (SP)' Model envisages establishment of long-term strategic partnerships with Indian entities through a transparent and competitive process, wherein they would tie up with global Original Equipment Manufacturers (OEMs) to seek technology transfers to set up domestic manufacturing infrastructure and supply chains.

(Source:https://www.investindia.gov.in/sector/defence-manufacturing)

Demand for Grants 2022-23 Analysis Defence

The Ministry of Defence frames policies on defence and security-related matters, and ensures its implementation by the defence services (i.e. Army, Navy and Air Force). In addition, it is responsible for production establishments such as defence public sector undertakings, research and development organisations, and ancillary services that assist the defence services, such as the Armed Forces Medical Services.

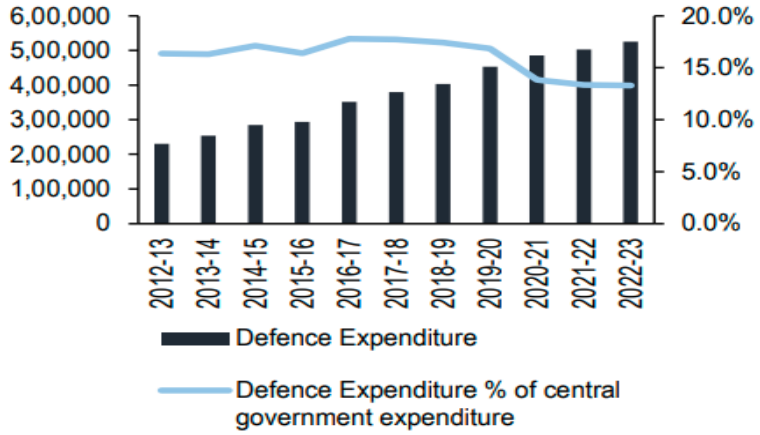
Overview of finances

In 2022-23, the Ministry of Defence has been allocated Rs 5,25,166 crore. This includes expenditure on salaries of armed forces and civilians, pensions, modernisation of armed forces, production establishments, maintenance, and research and development organisations. The allocation to the Ministry of Defence is the highest (13%) among all ministries of the central government.

Budget Announcements

In order to reduce imports and promote self-reliance, the Budget for 2022-23 proposed that 68% of the defence capital procurement budget will be earmarked for the domestic industry. This has been increased from 58% in 2021-22. Defence research and development will be opened up for industry, start-ups and academia. Private industry will be encouraged to take up design and development of military platforms and equipment in collaboration with Defence Research and Development Organisation and other organisations

Figure 1: Budget of Ministry of Defence (2012-13 to 2022-23) (in Rs crore)



Composition of defence budget

In 2022-23, the allocation made to the Ministry is 4.4% higher as compared to the revised estimate of 2021-22. This is broadly in line with the 4.6% growth in overall central government expenditure in 2022-23. Capital outlay is estimated to see the highest increase of 10% followed by 8% for salaries and 2% for pensions.

Expenditure on salaries and pensions forms the largest portion of the defence budget (Rs 2,83,130 crore which is 54% of the defence budget). Capital outlay of Rs 1,44,304 crore, forms 27% of the defence budget. The remaining allocation is towards stores (maintenance of equipment), border roads, research, and administrative expenses.

Table 2: Defence budget allocation (in Rs crore)

Major Head	Actuals 2020-21	RE 2021-22	BE 2022-23	% change 2021-22 RE to 2022-23 BE
Salaries	1,34,091	1,50,855	1,63,453	8%
Capital Outlay	1,31,803	1,31,350	1,44,304	10%
Pensions	1,28,066	1,16,878	1,19,696	2%
Stores	48,837	46,968	40,561	-14%
Other Expenses	42,884	56,832	57,152	1%
Total	**4,85,681**	**5,02,884**	**5,25,166**	**4%**

Analysis of the three armed forces

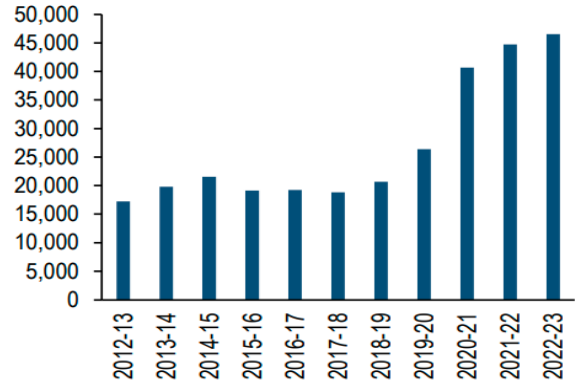
In 2022-23, the total allocation of the three forces (including pensions) is Rs 5,25,166 crore which is 94% of the total defence budget. Out of this, allocation for Army accounts for 58% of the defence budget followed by the Air Force at 19% and Navy at 16%. The expenditure on Army, Navy, and Air Force is in the ratio 3.5:1:1.2. The Army has the highest pension obligations. Excluding pensions (which is a cost for former staff and does not contribute to present or future defence preparedness), the expenditure of Army, Navy, and Air Force are in the ratio 2.5:1:1.1. The table below shows the defence budget allocation amongst the three forces.

Table 5: Defence budget allocation (in Rs crore)

Major Head	Actuals 2020-21	RE 2021-22	BE 2022-23	Share of Budget
Army	2,84,143	2,90,673	3,06,055	58%
Navy	75,779	81,747	86,252	16%
Air Force	1,01,673	97,930	1,00,650	19%
Other	24,086	32,534	32,210	6%
Total	**4,85,681**	**5,02,884**	**5,25,166**	**-**

Expenditure on modernization of Navy

Figure 7: Expenditure on modernisation of Navy (in Rs crore)



Between 2012-13 and 2022-23, funds for modernisation of the Navy have increased at an annual average rate of 10%. Note that between 2012-13 and 2018-19, Navy's modernisation expenditure increased an average annual rate of only 3% while between 2018-19 and 2022-23, it increased at a significantly higher rate of 23%. In 2022-23, Navy's modernisation expenditure is expected to increase by 4% over the revised estimate of 2021-22. The modernisation expenditure of the Navy as a percentage of total defence expenditure decreased from 7% in 2012-13 to 5% in 2018-19. It has since recovered to reach 9% in 2021-22 and 2022-23.

Defence Procurement

Defence procurement refers to the acquisition of defence equipment, systems and platforms which is undertaken by the Ministry of Defence, and the three armed forces. In 2016, the government released the Defence Procurement Procedure (DPP) which has been revised and replaced by the Defence Acquisition Procedure (DAP), The Committee on Estimates (2018) noted that procurement and acquisition of defence hardware is a long-drawn process which involves a large number of stakeholders

Issues of coordination between such large number of stakeholders sometimes lead to avoidable delays.16 For instance, the Comptroller and Auditor General (CAG) of India observed that in case of procurement of equipment for the air force, it took three to five years to sign the contract, and another three to five years to complete the delivery.15 The Committee on Estimates observed that such delays adversely impact the defence preparedness of India. It recommended creating an integrated institutional mechanism to reduce the delays in the procurement process

Indigenisation

In order to promote indigenisation and domestic production of defence equipment, the government has notified 209 items which will be procured from indigenous sources. These items, notified through two separate lists in August 2020 and May 2021, are placed under import embargo in a staggered manner. In August 2020, the government estimated that between April 2015 and August 2020, the armed forces had spent close to Rs 3.5 lakh crore on the items that were put under import embargo.19 It estimated that contracts worth around four lakh crore rupees will be placed with the domestic industry within the next five to seven years.

The table shows the procurement of defence equipment by the three armed services imported from foreign vendors and acquired from indigenous sources. Between 2015-16 and 2018-19, the percentage of defence equipment acquired from foreign vendors increased to up to 50%. It has reduced since then. In the first six months of 2021- 22, the armed forces had spent Rs 62,975 crore on procurement of defence equipment out of which 34% of the amount has been spent on procurement from foreign sources

Table 9: Procurement from domestic and foreign sources (in Rs crore)

Year	Total Procurement	Indian Vendors	Foreign Vendors	% Foreign vendors
2015-16	61,914	39,752	22,163	36%
2016-17	69,080	40,545	28,534	41%
2017-18	72,437	41,892	30,545	42%
2018-19	75,491	37,728	37,764	50%
2019-20	96,438	54,759	41,679	43%
2020-21	75,283	50,898	24,385	32%

Note: Figures for 2020-21 are up to January 2021.

Low capacity of domestic industry

A key variable that would help to determine the potential of indigenisation of defence procurement is the production capacity of the domestic industry. Table 10 shows the annual turnover of defence public sector undertakings (DPSUs), other public sector undertakings (PSUs), and private companies in the defence sector over the last few years. It also compares the total domestic production of defence equipment to the overall budget for capital outlay of the armed forces.

Table 10: Total production versus capital outlay on defence services (in Rs crore)

Year	Private companies	Defence and other PSUs	Total Production	% Capital outlay budget
2017-18	15,347	63,473	78,820	90%
2018-19	17,350	63,770	81,120	90%
2019-20	15,894	62,676	78,570	74%
2020-21	17,292	67,375	84,667	64%

Note: Capital outlay includes Coast Guard Organisation and Border Roads Development Board.

Note that after 2018-19, the share of total production by the domestic defence industry has fallen as a proportion of capital outlay for the armed forces. In 2020-21, total production by the domestic defence industry amounted to 64% of the overall budget for capital outlay. Decline in production of defence equipment by the domestic industry as a percentage of funds available for capital outlay with the armed services may increase the reliance of the armed forces on imports. The Standing Committee on Defence (2021) had recommended that steps should be taken so that ordnance factories, DPSUs, and private industries work in coordination.

This will help to promote import substitution of defence products and expand the export potential of these entities. An Expert Committee (2015) noted that majority of defence material manufacture in India is in the public sector. In 2020-21, private companies contributed to only 20% of the overall production of the domestic defence industry. This ratio has broadly remained the same since 2017-18. The Expert Committee recommended that the government should support the private defence sector on a long-term basis.

This would require both long-term projections and stable current orders along with hand holding in various stages of the procurement cycle. With effect from October 1, 2021, the central government dissolved the Ordnance Factory Board (OFB) and transferred its operations to seven new DPSUs. OFB was engaged in the production of arms, ammunitions, weapons, and defence equipment. It operated under the administrative control of Department of Defence Production in the Ministry of Defence. According to the government, this is expected to enhance the functional autonomy and efficiency of these entities. The Ministry of Defence has set a target of achieving a turnover of Rs 1.75 lakh crore by 2024 for indigenous manufacturing of aerospace and defence goods and services. This target includes exports worth Rs 35,000 crore.

(***Source***:**https://prsindia.org/files/budget/budget_parliament/2022/Defence%20DFG%20Analysis%202022-23.pdf**)

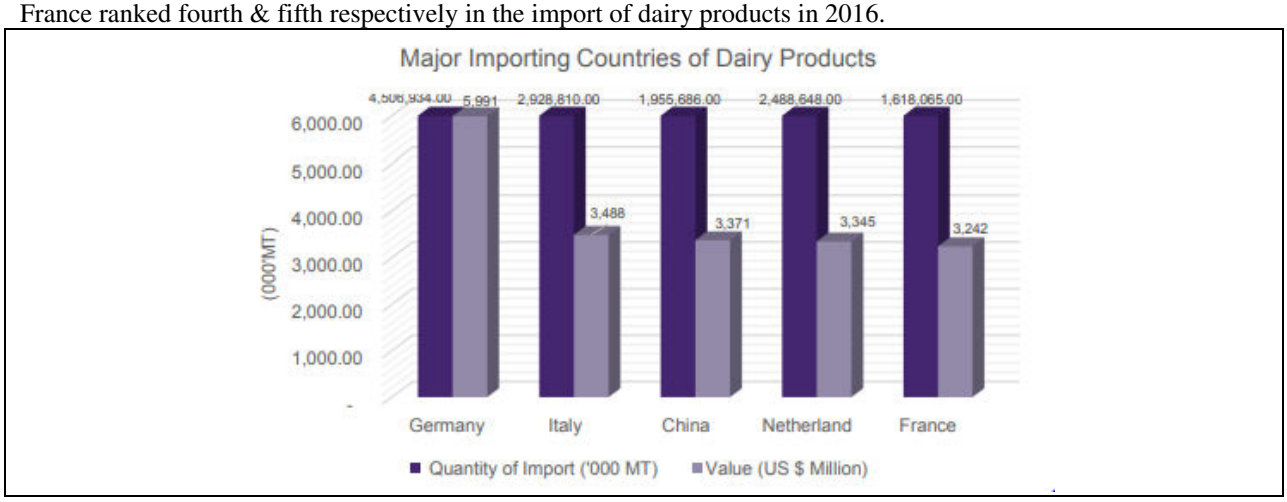
Global Dairy Equipment Manufacturing Industry

Major Milk Processing Global Companies

New Zealand exports almost 49 % of the total dairy products manufactured in the world. Germany rankssecond in the global dairy products export, with a share of about 18% of global dairy products. Further,Netherlands and France have almost same quantity of global; export which values US$ 1.9 and US$ 1.5Billion respectively. United States exports dairy products worth 5.50% of the world's total dairy productmanufactured.

Major Importing Countries with quantity & Value of Dairy Products in 2016

Germany ranks first in the import of dairy products which was US$ 5,991 Million in 2016, followed by Italywith a value of US$ 3,488. China ranks third whose import was valued at US $ 3,371 Million in 2016.Netherland and France ranked fourth & fifth respectively in the import of dairy products in 2016.

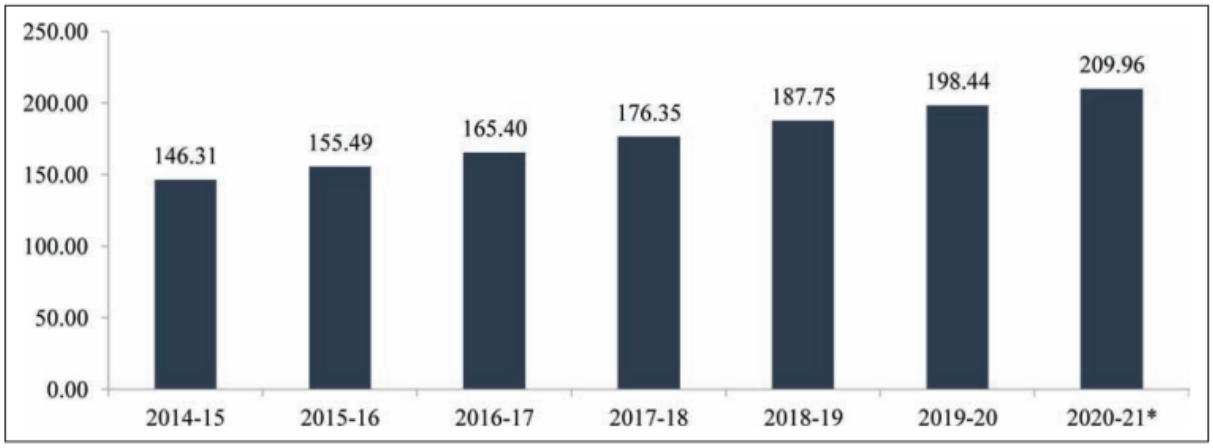


Indian Scenario

The DairySector

Dairy is the single largest agricultural commodity contributing 5 per cent of the national economy and employing more than 8 crore farmers directly. India is ranked 1st in milk production contributing 23 per cent of global milk production. Milk production in the country has grown at a compound annual growth rate of about 6.2 per cent to reach 209.96 million tonnes in 2020-21 from 146.31 million tonnes in 2014-15

Figure 21: Trend of Milk Production in India (Million Tonnes)



Source: Based on data taken from the National Dairy Development Board and DAHD.
*Data is provisional

Milk Production

India is the largest milk-producing country in the world by a wide margin over the United States, the second-largest producer. India is unique among the major milk producers because more than half of its production is from water buffalo, rather than cattle (table 1). India's dairy herd, also the largest in the world, consists of the largest herds of both dairy cattle and water buffalo

USDA, the Food and Agriculture Organization of the United Nations (FAO), and the Government of India (GOI) all provide similar, but different, estimates of total Indian milk production. The USDA data (fig. 1) indicate that production has grown consistently at an annual rate of about 4.2 percent. The official Indian production estimates for milk, on which the USDA data are based, are collected through the Integrated Sample Survey commissioned by India's Department of Animal Husbandry, Dairying, and Fisheries (DAHDF) and conducted by State Governments. According to the data, although India's water buffalo herd is smaller than the cattle herd, water buffalo milk is the largest and fastest-growing component of milk production. Water buffalo milk now accounts for about 53 percent of total milk output and production is growing at about 4.4 percent annually, compared with 4.1 percent annual growth in cattle milk.

World's largest milk producers[1]

Country	Cow	Buffalo	Total
	Million tons		
India	59.4	67.7	127.1
United States	90.4	0.0	90.4
China	36.8	3.1	39.9
Brazil	32.9	0.0	32.9
Russian Fed.	31.1	0.0	31.1
Germany	30.7	0.0	30.7
Pakistan	13.4	16.3	29.7
France	24.0	0.0	24.0
New Zealand	18.5	0.0	18.5
Turkey	15.5	0.0	15.6

[1]2011-2013 average.
Source: USDA, Economic Research Service. Food and Agriculture Organization, FAOSTAT database.

World's largest dairy herds[1]

Country	Cow	Buffalo	Total
	Million head		
India	44.2	38.6	82.8
Pakistan	10.9	12.2	23.1
Brazil	23.0	0.0	23.0
China	12.2	5.5	17.6
Sudan (former)	14.7	0.0	14.7
Ethiopia	10.7	0.0	10.7
United States	9.2	0.0	9.2
Russian Fed.	8.0	0.0	8.0
Tanzania	6.9	0.0	6.9
Kenya	5.7	0.0	5.7

[1]2011-2013 average.
Source: USDA, Economic Research Service. Food and Agriculture Organization, FAOSTAT database.

Milk Marketing

According to GOI estimates, nearly half of India's milk production is consumed by the household in which it is produced and is not marketed (fig. 14). Milk that is not marketed is either consumed in unprocessed fluid form or is converted in the home into traditional products like butter, ghee (clarified butter), paneer (a type of cottage cheese), and curd (yogurt)

The bulk of the milk sold outside the household is marketed as either unprocessed (not homogenized or pasteurized) fluid milk or processed products manufactured by small-scale, private vendors. These traditional milk supply chains are prevalent throughout rural and urban India, and typically involve a chain of intermediaries who collect milk from producers for retail distribution within a small area. It is estimated that only about 15 percent of the milk produced is marketed, in roughly equal shares, through formal cooperatives or private firms, as either processed fluid milk or other processed products.

Dairy Cooperatives. India's network of farmer-owned dairy cooperatives, organized using the "Anand model" that originated in the State of Gujarat prior to independence, has been one of the most successful cooperative movements in India and the key early driver of dairy development in India. In 2011, the dairy cooperative now included 22 State milk marketing federations, 183 district milk producer unions, and nearly 156,000 village-level cooperative societies with a total membership of about 15.1 million dairy farmers. Currently available data indicate that there were 263 cooperative dairy plants with a total daily processing capacity of about 43 million liters of fluid milk (table 9), with the States of Gujarat, Maharashtra, Karnataka, and Tamil Nadu accounting for large shares of cooperative-owned processing capacity. The cooperative plants process fluid milk, and many also manufacture other value-added products (Planning Commission, 2012).

Number and capacity of dairy plants by State in India

State	Cooperative		Private		Government		Total	
	Number	Capacity	Number	Capacity	Number	Capacity	Number	Capacity
	No.	1,000 ltrs/day	No.	1,000 ltrs/day	No.	1,000 ltrs/day	No.	1,000 ltrs/day
Maharashtra	86	7,865	276	15,641	33	3,086	395	26,592
Uttar Pradesh	35	2,476	216	22,569	0	0	251	25,045
Gujarat	16	13,160	15	917	2	400	33	14,477
Tamil Nadu	11	4,030	26	5,289	0	0	37	9,319
Punjab	13	1,820	64	6,529	0	0	77	8,349
Andhra Pradesh	9	2,150	39	5,693	0	0	48	7,843
Rajasthan	18	2,420	20	3,361	0	0	38	5,781
Madhya Pradesh	5	1,000	35	4,013	0	0	40	5,013
Karnataka	16	4,323	8	485	0	0	24	4,808
Delhi	0	0	1	3,500	1	500	2	4,000
Harayana	5	470	31	2,417	1	60	37	2,947
West Bengal	3	816	12	1,145	0	0	15	1,961
Kerala	15	1,223	10	373	0	0	25	1,596
Bihar	10	700	2	400	0	0	12	1,100
Other	21	798	10	920	0	0	31	1,718
Total	263	43,251	765	73,252	37	4,046	1,065	120,548

Private Dairy Processing: Prior to 1991, investment in dairy marketing and processing facilities was, with a few exceptions, restricted to the cooperative sector. In 1991, dairy processing was delicensed (opened to private investment without prior approval), leading to the expansion of private investment in the sector. Private-sector capacity is now expanding faster than the cooperative sector. Official data indicate that there were about 765 private

processing plants in 2011, with a daily capacity of about 73 million liters, about 70 percent more than cooperative capacity (table 9). Since the private and cooperative sectors now handle roughly equal shares of milk output (fig. 14), these data suggest a large amount of excess capacity has been developed by private investment. The largest concentrations of private capacity are in the northern State of Uttar Pradesh—also the largest milk producer—and the western State of Maharashtra, but with substantial capacity in the other major milk-producing States of Punjab, Andhra Pradesh, Madhya Pradesh, and Tamil Nadu.

(Source: https://www.ers.usda.gov/webdocs/outlooks/82639/ldpm-272-01.pdf?v=8277.3)

Various Schemes & Initiatives by Government of India and NABARD for Expanding Milk Processing in the country

For creating infrastructure for strengthening production of quality milk, procurement, processing and marketing of milk and milk products, the Central Government has been implementing several schemes. Some of the key schemes and their impacts have been mentioned in brief.

National Programme for Dairy Development (NPDD)

Department of Animal Husbandry & Dairying (DAHD) is implementing NPDD with an objective to:

- to create and strengthen infrastructure for production of quality milk including cold chain infrastructure linking the farmer to the consumer
- to create and strengthen infrastructure for procurement, processing and marketing of milk
- to create training infrastructure for training of dairy farmers
- to strengthen dairy cooperative societies/Producers Companies at village level
- to increase milk production by providing technical input services like cattle feed, mineral mixture, etc.
- to assist in rehabilitation of potentially viable milk federations/unions;

The NPDD focuses on creating and strengthening of infrastructure for production of quality milk, procurement, processing and marketing of milk & milk products by the State agencies like state cooperative dairy federations and District Cooperative Milk Producers' Union.

DAHD has received 164 proposals from various state governments under NPDD during March 2014-February 2020. As on 25.02.2020, 129 new projects have been approved in 28 States and 2 UTs with total outlay of Rs 1535 crore (Central Assistance Rs 1249 crore) during 2014-15 to 2019-2014

Parameters	Target (31.03.2020)	Achievement (31.12.2019)
Average Daily Milk Procurement (TLPD)	3821.15	2218.58
Dairy Plant Capacity (TLPD)	2667	1729
Chilling Capacity (Bulk Milk Cooler) TLPD	3921.4	1111.90
Automatic Milk Collection Unit /Data Processor & Milk Collection Unit (Number)	16691	9182
Electronic Adulteration Testing Machine (Number)	2562	1313

Source: Lok Sabha, DAHD, 11th February, 2020

Dairy Processing and Infrastructure Development Fund (DIDF):
A large number of dairy processing plants with India's Dairy Cooperatives were commissioned during Operation Flood, which came to an end in 1996. Majority of these plants have never been expanded or modernised since decades. These plants mostly have obsolete technologies, which may not be energy efficient as compared to currently available modern technologies. In order to improve efficiencies as well as increase production of products with higher value addition, replacement and modernisation of these dairy plants were much needed.

Considering the interests of both producers and consumers, Dairy Cooperatives pass on maximum share of sales realisation (generally about 75-80%) to milk producers and make available safe milk to the consumers at an affordable price. Cooperatives are unable to invest in modernisation or expansion of dairy processing infrastructure since they have limited resources due to relatively low profit margins. For ensuring that Dairy Cooperatives remain competitive for the sustained benefit of farmers, a dedicated Dairy Processing and Infrastructure Development Fund under National Bank for Agriculture and Rural Development (NABARD) was announced in the Union Budget (2017-18) with a total corpus of Rs 8000 crore over a period of three years (2017-18 to 2019-20). Rs 2001 crore was as end borrower's contribution, and interest subvention of Rs 864 crore was part of DIDF. The major components of the DIDF includes creation, modernisation, expansion of milk processing infrastructure, manufacturing facilities for value-added products, setting up of chilling infrastructure and electronic milk testing equipment at village level and NDDB is the implementing agency for DIDF

The Cooperative Milk Unions, State Cooperative Dairy Federations, Multi-state Milk Cooperatives, Milk Producer Companies and NDDB subsidiaries are the eligible borrowers under DIDF. Assistance under the scheme is available in the form of loan with an interest rate of 6.5% per annum.

The government had approved an upward revision of interest subvention from current level of 2% to upto 2.5% under the DIDF with a revised outlay of Rs 11,184 crore17. The scheme envisages to have interest subvention component of Rs 1167 crore to be contributed by DAHD during 2018-19 to 2030-31 with a spill over into the first quarter of 2031-32. The scheme also has a loan component of Rs. 8004 crore to be contributed by NABARD. Rs. 2001 cr shall be contributed by borrowers and Rs 12 crore would be jointly contributed by NDDB and National Cooperative Development Corporation (NCDC).

Impact of DIDF:

- 95 Lakh milk producers will be benefited by covering 50,000 villages.
- Establishment of 28000 Bulk Milk Coolers with 140 LLPD as additional milk chilling capacity.
- Creation of additional 210 MTPD milk drying capacity.
- Modernization, expansion and creation of Milk Processing capacity of 126 LLPD.
- Creation of Infrastructure of 59.78 LLPD capacity for Value-Added Dairy products to ensure remunerative prices to milk producers.
- 28000 Milk Testing Equipment to check adulteration in milk.

(Source: https://ficci.in/spdocument/23304/Development-Dairy-Sector.pdf)

Chilling infrastructure created at village level

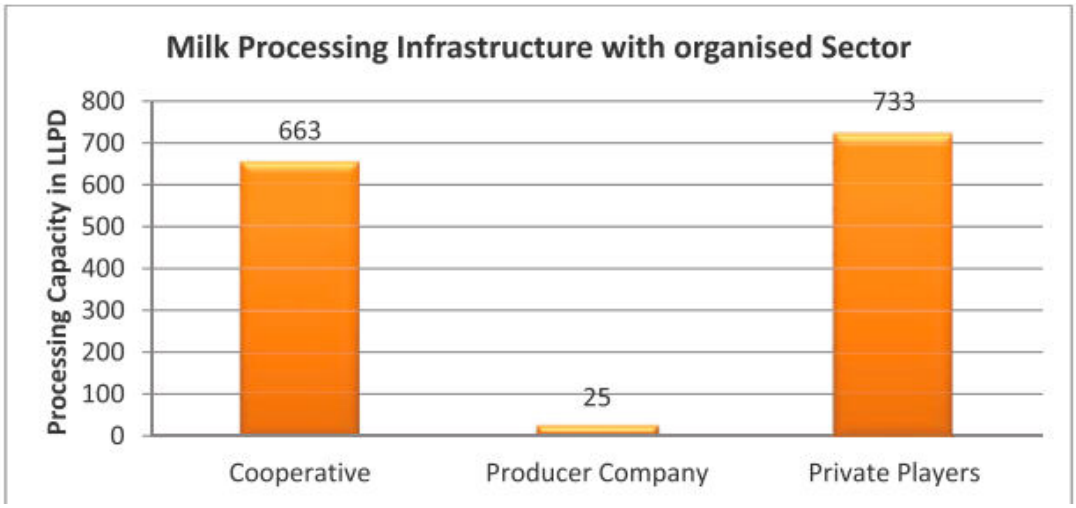
Milk being highly perishable and considering the tropical climate of India, handling of raw milk is the most critical activity of entire dairy value chain. Poor handling of raw milk at village level with non-existent or inadequate chilling facilities impacts subsequently the quality and safety of processed milk and milk products. Therefore, to maintain the quality and safety of milk, it is essential to maintain a proper cold chain from the time of milk collection till it reaches the processing facility. In case of organised sector, milk from individual producers is collected at the village dairy cooperative society/ milk pooling point in either cans or poured directly in bulk milk cooler. The chilled milk collected is thereafter transported in insulated tankers directly to a dairy plant for processing or a chilling centre, where it is chilled and then transported to a dairy plant in insulated tankers

Collection of milk at DCSs/ milk pooling point directly in BMCs results in much superior quality of milk than chilling it at the Chilling Centres, as in the former case the waiting time at the DCSs and transportation time are saved. This result in bacterial growth in the milk is restricted at the point of milk production reducing souring and other quality deterioration of milk. This improves quality of milk received at the Dairy Plant which leads to manufacturing of quality milk & milk products.

Processing infrastructure

The Chilled milk is transported in insulated tankers to the Processing Plants where it is pasteurised and packed to be sold as packed liquid milk and processed further into different milk products

At present, most of the milk processing plants with Cooperatives are old and majority of these plants have never been expanded and/or modernised. These plants are operating with old technology, which may not be energy efficient in comparison to available modern technologies. Therefore, there is urgent need to create/ upgrade/ modernise the milk processing infrastructure with the Cooperatives. Total milk processing infrastructure available with organised sector is indicated



Dairy Equipment Manufacturing Industry

The Indian dairy sector has witnessed a phenomenal growth where milk production today stands at 155.5 million tonnes per annum or 4620 litres per day (LLPD) and marketable surplus is 52% i.e. 2400 LLPD. The present chilling and processing capacity can handle only 757 LLPD and 1396 LLPD respectively. Further, 60% of the existing dairy plants are over 30 years old and needs modernisation with newer technology in plant & machinery, energy efficient systems, new packaging technology, efficient energy system etc

The proposed National Action Plan aims at meeting the projected demand of about 254.5 million tonnes by 2021-22 and 300 million tonnes of milk by 2023-24 and envisages the share of the organised sector in milk processing rising from the current 30 per cent to about 65 per cent. To meet this 65 per cent level by 2021-22 and 2023-24, hitech processing facilities would be required as the objective of National Dairy Plan is not only to increase the milk production but also to bridge the wide gap between milk production and processing. Statistics indicate an exponential demand for dairy equipment's in the coming years with completely automated dairy processing plants and processing lines for new products. Emphasis will be on energy efficient equipment's. Technology, price, delivery and performance standards would determine the market for any dairy equipment. Other important factors would be upgrading, add-ons and after sales service. Most of the dairy units are now looking into the improvement of sanitary and hygienic conditions by adopting ISO certification as well as HACCP programmes. The Sanitary and

Phyto-Sanitary (SPS) measures are becoming mandatory for export and serious efforts have to be made to achieve the international standards of quality

India's recent progress in dairy equipment manufacturer has been remarkable. Though it still imports advanced machinery from regions like Europe and Italy around 70-80% of machinery is now being produced in India. However, dairy equipment industry in India is still confined to certain categories such as road milk tankers, storage tanks, bulk milk coolers, small homogenisers, milk pasteurisers, milk vending machines and liquid milk packaging system etc. Equipment for packaging of butter, cheese, paneer and other traditional products needs attention with an eye on the industry's need for small and large-scale operations.

Infrastructure Gap by 2021-22 and 2023-24

The enhanced milk procurement by organised sector would require creation of additional chilling capacities, milk processing infrastructure along with additional drying capacities & dairy products manufacturing infrastructure and Feed & Feed supplement infrastructure.

As on March 2016, total chilling capacity with Dairy Cooperatives, Producer Companies and Private is 46.4 Million LPD, 10 Million LPD and 29.3 Million LPD respectively. An additional chilling capacity of 212 Million LPD and 349.3 Million LPD would be required by 2021-22 and 2023-24 respectively.

Presently Dairy Cooperatives, Producer Companies and Private dairies have milk processing capacity of about 66 Million LPD, 2.5 Million LPD and 73 Million LPD respectively. Most of the processing capacities with Dairy Cooperatives are functioning on age old technology and need expansion & renovation in the context of expanding production & demand. In view of above, it becomes imperative that the dairy plants with dairy cooperatives be refurbished with new energy saving technology along with creation of 226.9 Million LPD and 392.4 Million LPD processing infrastructure by 2021-22 and 2023-24 respectively.

In addition to above, additional drying capacity of 3083 MTPD and 5439 MTPD and infrastructure for Value Added Products of 10335 MTPD and 12616 MTPD capacity would need to be created by 2021-22 and 2023-24 respectively.

The increased milk production would require support in terms of Feed & Feed Supplements. Therefore, Cattle Feed Plants of 4222 MTPD and 5638 MTPD Capacity would also need to be installed to provide input services to farmers at village level by 2021-22 and 2023-24 respectively.

Challenges

Though India has become the largest milk producing country in the world, still this sector faces numerous challenges, which hinder the optimum growth in milk production, access of milk producers to organised market, processing of milk & Value Added Products and availability of quality milk & milk products to consumers. Some of the major challenges being faced by Indian Dairy sector are given below:

- Low Productivity of Indian bovine ·
- Imbalanced feeding to animals ·
- Limited access of milk producers to organized sector ·
- Age old infrastructure operating on obsolete technology ·
- Lack of organised credit system ·
- Lack of manufacturing facilities for Value Added Products. ·
- Lack of efficient chilling infrastructure at village level ·
- Lack of penetration in smaller cities/ towns in terms of milk marketing ·
- Lack of efficient cold chain distribution network.

(Source: https://dahd.nic.in/sites/default/filess/Vision%202022-Dairy%20Development%20English_0_0.pdf)

OUR BUSINESS

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. In this section, a reference to the "Krishna", "Company" or "we", "us" or "our" means Krishna Defence and Allied Industries Limited.

All financial information included herein is based on our ***"Financial information of the Company"****included on page 174 of this Red Herring Prospectus.*

OVERVIEW

We are engaged in the diversified business ofmanufacturing defence application products, dairy equipment products and kitchen equipments. We have entered into various licensing agreement with Defence Research and Development Organisation ("DRDO") for obtaining the know-how and rights which enable us to manufacture and supply specialized defence application products for the Indian Armed Forces. Under defence application, we provide a wide array of high performance products for naval applications and other utilities such asship building steel bulb bar, special steel alloy bricks used as ballast weight for critical applications, super alloys weld consumables like welding wire, flux and electrodes, food container and improved space heating device, which is also known as bukhari.

In 1997, we started our operations in the dairy equipment manufacturing as a partnership firm, M/s Krishna Industries and over the years our company has developed a wide range of dairy equipment products such asstainless steel milk Cans, Milk Cooling Tanks or Bulk Milk Coolers, Milking Machine, Cow Brooming Brush and Robotic Milk Collection Unit. Our Company achieved a new milestone in 2015 in the dairy industry after acquiring patent for invention of automated milk analysis and collection apparatus called Robotic Milk Collection Unit (RMCU) upto to the year 2035. The developed product works like a kiosk for Milk Collection for Milk Society, and it analyzes the farmer milk not only for Fat & SNF but also tests the milk for adulteration. The RMCU ensures only top-quality milk is collected by the Milk Society and below par milk or adulterated milk is rejected.

In the year 2010, we stretched our operations into the business of manufacturing Kitchen Equipment and commenced manufacturing of Bulk Cooking Equipment like Rice Cauldron, Dal Cauldron, Braising Pan, Distribution Vessels, Rice Chute, Dal Storage Tank, which are used by organizations which run Midday Meal Programs where cooking is done for up to 1,00,000 meals a day. Presently we are supplying such products to The Akshayapatra Foundation.

In the year 2006, our Company attempted for the first time to develop ship Building Steel Bulb Bars which was a very critical component for the Indian Navy's indigenization program and the attempt successfully yielded the result in the trial batch exactly as per the requirement of the Indian Navy. We received appreciation certificate from Defence Metallurgical Research Laboratory (DMRL), Hyderabad for successfully carrying out the project of manufacturing the indigenized steel Bulb Bars which are used in hull construction of Naval warships. The project was of national importance involving import substitution.

Over the years our Company was awarded Transfer of Technology for manufacture and sale of various defence application products to be supplied to Indian Armed forces like: 5.5 Ltr Plastic Food Container for Extreme Cold Condition, Space Heating Device (Bukhari) used at high altitude in very Cold conditions, Man Mounted Cooling

System to be used in extremely Hot Conditions as well as cold conditions, Solar Snow Melter to be used at high altitude, Improvised Explosive Device (IED) Containment Vessel to be used for protection and Mounting & support Equipment for Camouflage Net. We have successfully developed the 5.5 ltrs Plastic Food Container, Improved Space heating device or Bukhari and Super alloys weld consumables like Welding Wire, flux and Electrodes and are ready to market the same. We are now in the stage of developing Man Mounted Cooling System, Solar Snow Melter, Improvised Explosive Device (IED) Containment Vessel and Mounting & support Equipment for Camouflage Net.

We have received developmental order from Indian Navy for developing Super Alloy Weld Consumables which will be used in critical applications, wherein the delivery of first lot is expected to be completed in last quarter of this financial year. Lately in the year 2021 we successfully developed and delivered the first order for Special Steel Alloy Bricks used as Ballast weight for critical applications of the Indian Navy.

In the year 2020 our Company has also forayed in a new business vertical of manufacturing and marketing of Homeland & Security products, wherein we plan to manufacture products like Modular Vehicle Barrier, Automatic tyre Killer, Multi-purpose Launcher and Long Range LED Searchlight used by the Indian Armed Forces, for which we have entered into agreements with foreign vendors for import of critical component required to manufacture/assemble these products in our factory. We propose to sell such product under MAKE IN INDIA Program.

We have two manufacturing facilities in Gujarat, located at Kalol and Halol district near Vadodara. Our manufacturing facilities are accredited with ISO 9001:2015 quality management system as manufacturer and exporter of stainless-steel milk cans, milking machine, milk coolers, dairy and kitchen Equipment, milk testing Equipment, Galley Equipment, shipbuilding steel bulb bars, modular vehicle barrier & automatic tyre killer.

We have diversified our products under various business verticals, mainly due to our strong research and development ("R&D") and technological capabilities. Our R&D capabilities include product design, product engineering, product simulation, prototyping and testing. Our R&D activities are mainly undertaken at our manufacturing facilities. Our research activities are focused on creating new products and solutions which are customized to meet customer expectations and end-user preferences and also improving our production processes and improving the quality of our existing products. With our R&D capabilities, we are currently developing several new products for some of which we have secured orders as well.

We derive most of our revenues under the contracts from the Government sectors (both central and state) and associated entities. Our Dairy customer base includes The Panchmahal District Co.operative Milk Producers' Union Ltd, Hatsun Agro Products Limited, Delicia Foods India Pvt Ltd, Thanjavur Dist Co-Op Milk Prod. Un. Ltd (Aavin Federation), Amritsar Dist Co-Op Milk Prod Union Ltd (Verka Federation), Pune Zillha Sahakari Dudh Utpadak Sangh Limited (Katraj), Bihar State Milk Co-Operative Federation Ltd (COMFED) etc and various other milk cooperative societies in India and the Defence customer base includes Ministry of Defence, Mazagaon Dock Shipbuilders Limited, Garden Reach Shipbuilders & Engineers Ltd, Goa Shipyard Limited.

Our Company is led by our Promoter and Managing Director, Mr. Ankur Ashwin Shah having an overall experience of around 22 years in the associated industry. We have received the below mentioned prestigious awards in the past that bear testimony to the faith our customers have in us and our ability to successfully serve and meet their requirements.

- Defence Technology Absorption Award, 2013 on August 20, 2014 from Ministry of Defence by the hands of Hon. Prime Minister of India, Shri Narendra Modi for our pioneering efforts towards first time indigenous production of "Bulb Bars" in association with DRDO for meeting the requirements of Indian Navy.
- INDIA SME 100 Awards organized by India SME Forum and supported by Ministry of MSME in the overall evaluation of Financial & Non-Financial Parameters in 2018.

- In the Defence Expo 2020, we were handed over Transfer of Technology for Man Mounted cooling system by CM of UP, Shri Yogi Adityanath and then Defence minister, Shri Rajnath Singh and DRDO Chairman Dr. G. Satheesh.
- Certificate Awarded by Naval Materials Research Laboratory DRDO, Ministry of Defence in Industry Partner Meet dated December 14, 2021 in Recognition of Outstanding Contribution and Valuable Support Towards Development of Innovative Materials and Energy Systems for Critical Naval Applications

Over the years our Company has obtained various registrations and memberships that facilitate our Defence business and help us to secure government orders for Indian Armed Forces like:

- Accepted as approved vendor by Indian Navy, included in Naval Contractual Directives for supply of shipbuilding steel sections, Bulb Bars for Warships in the year 2011
- Accepted as approved vendor for manufacture of steel bulb bars by the Indian Register of Shipping (IRS) in the year 2017
- Member of Society of Indian Defence Manufacturers
- Received certificate of Steel Mills from American Bureau of Shipping for Facility and Process Approval for manufacturing section components of marine applications.

For the stub period ended on September 30, 2021 and financial years ended on March 31, 2021, March 31, 2020 and March 31, 2019 our Revenue from Operations wereRs.2,071.56 Lakhs, Rs. 3,502.66 Lakhs, Rs. 2,499.23 Lakhs and Rs. 5,837.91 Lakhs respectively and PAT were Rs. 122.11 Lakhs, Rs 193.65 Lakhs, Rs. 74.61 Lakhs and Rs. 206.44 Lakhs respectively.

OUR COMPETITIVE STRENGTHS

We offer a diversified range of products.

We are strategically well placed to run various business verticals under one umbrella. We offer a wide range of products used in Defence industry for Indian Armed Forces, Dairy Equipment products to facilitate procurement, processing, distribution of milk, Kitchen Equipment Products to serve midday meals in large organizations and have also forayed into manufacturing of homeland security products to be used in defence industry for Indian Armed Forces.

With government focusing on specialization and integration and subcomponent or products manufacture being outsourced to the private industry, there are resultant expanded opportunities for the private sector. Our core competencies include product prototype design and development, functional testing, validation and verification. The transfer of technology awarded to our company for various defence application products and the focus of the indian government to enhance indigenization has endowed us with greater exposure and opportunity to benefit from the make-in-india programme.

Our range of dairy equipment products have been benefitting dairy farmers in many ways like, savings on milk samples for testing, automatic milk deposit ensuring less human dependency for milk collection, detect milk adulteration, organized and structured data base for farmers and milk societies, efficient milk production, proper, healthy and odorless transportation of milk, preservation of milk for longer duration etc. The entrusted benefits thus increase the dependency and usage of our products for effective and efficient milk output. Moreover, the patent acquired by our company for invention of Automated Milk Analysis and Collection Apparatus gives us an additional edge to exclusively manufacture one of our products, Robotic Milk Collection unit. We have also successfully delivered Kitchen Equipment Products like: Rice Cooker, Dal Cauldrons, and Distribution Vessels to organizations like The Akshay Patra Foundation. We believe that offering high-quality products and operational execution focused on continual improvement supports our ability to offer a wide range of products and solutions.

We therefore benefit from diversification of our business by creating economic buffer, thereby minimizing the risk of loss and consistently generating returns. For details of our Product Portfolio, please see ***"Our Products Portfolio"*** on page 124

Precision engineering expertise with complex product manufacturing capability

We have comprehensive in-house capabilities of developing and manufacturing defence application products, dairy equipments and kitchen equipments. Our Company develops and manufactures a wide range of critical assemblies and precision components with close tolerances through its precision machining, assembly, and specialized fabrication facilities, for onward usage by our customers in the defence sectors and dairy sectors of India. All raw materials procured for manufacturing our products are sourced from trusted vendors and our quality control team applies stringent quality measurements at every manufacturing stage to ensure low rejection rate such that our finished product confirms to the exact requirement of our customers and successfully passes all validations and quality checks.

As we have secured orders from the government sectors for Indian Armed Forces and dairy societies in the past, and have been able to deliver successfully on these mandates, we believe that we are well positioned to capitalize on this opportunity and to take advantage of future orders placed by the Indian public sector undertakings working for Indian Armed Forces and dairy farms and societies.

Given our operations are specialized, our manufacturing facilities also employ extensive and stringent quality control mechanism at various stages including that of material issue and manufacturing process, to ensure that our finished product confirms to the quality and traceability requirements of our customers. Owing to the critical end applications of our products and such stringent quality requirements, we believe it becomes very difficult for new players to get qualified for the projects we undertake.

Strong R&D capabilities with a focus on innovation

In order to enhance our product offerings, we have leveraged our adaptability and manufacturing agility by continually investing in the Research and Development activities of the company over the years. We have experienced and qualified team of Engineers who help us develop complex products and assembly. We believe that our R&D capabilities have enabled us to keep abreast of technological developments in the precision manufacturing industry thereby allowing us to have a focused approach on consistently upgrading the technology and the processes used in the manufacture of our products.

We place strong emphasis on R&D which has helped us develop a wide range of products in the defence and dairy sector. Over the years our R&D team has successfully developed defence application products like: bulb bars, bhukhari, food containers, super alloys weld consumables like welding wire, flux and electrodes, special steel alloy bricks used as ballast weight for critical applications etc. for Indian Armed Forces. In the dairy sector we have successfully developed products like: Solar BMC where the milk union can save expenses from electricity, Robotic Milk Collection Unit where automatic milk collection and analysis can be facilitated, etc. Our R&D team is consistently dedicated to expand our product portfolio by developing more products both for defence and dairy sector in India.

Long Standing Relationship with our customers

While the bids for the projects in the defence sectors are invited by issuing tender enquiries, the qualification process for securing such tenders is extremely stringent as there is no scope for faults in such sectors. We are registered as capable producers of defence stores with Directorate General of Quality Assurance and Directorate of Quality assurance (Naval). These registrations along with our past experience in the supply of our products, ability to meet specific technical requirements of our customers, reputation for quality and safety features present in our products,

financial strength, and the price competitiveness of our offerings, has not only strengthened our position in the market but also has enabled us to establish and maintain relationships with our customers.

We have been in the business of manufacturing the dairy equipment products since the last two decades and have successfully developed and supplied quality products to our customers. We strive to understand our customers' specific business needs and provide products to meet their requirements. Our ability to provide quality products as per the customer specification, and our consistent customer servicing standards has enabled us to increase our customers' dependence on us.
We believe the engineering capability of our Company, evolved over decades, has enabled us to consistently offer quality complex precision manufactured components and assemblies, within stipulated timelines and at reasonable cost in most cases, allowing us to forge a robust relationship with our customers.

Experienced and Qualified Management and Employee base

We have an experienced and qualified management team led by our Promoter and Managing Director, Mr. Ankur Ashwin Shah who is a Bachelor of Engineering with overall work experience of around 22 years. Our Whole Time Directors, Mr. Sandeep Ramrao Kadam is a Bachelor of Engineering with overall work experience of around 25 years, and Mr. Suvendu Banerjee is a Bachelor of Science with overall work experience of around 25 years. Thus we are well placed to capitalize the knowledge and experience of our management team which has been instrumental in growth of our Company. Our management team has substantial experience in the sectors which we serve, which enables us to capture market opportunities, formulate and execute business strategies, manage client expectations as well as proactively respond to changes in the market conditions. Moreover the independent directors on our Board, Mr. Divyakant Ramniklal Zaveri and Mr. Jaykumar Toshniwal are Chartered Accountants with both having experience of around 45 years and 35 years respectively. Their advisory services and inputs are a value addition to our performance, compliance and overall operations.

Each business vertical is being managed by experienced and hands-on segment heads having in-depth technical and industry knowledge of the segments that we cater to. These business heads are instrumental in establishing and maintaining relationships with our customers. Our mid-level management is supported by our trained personnel and skilled workers who benefit from our regular in-house training initiatives. We therefore believe that our qualified management and employee base have enabled us to extend our operating capabilities, improved the technical quality of our products and facilitated our growth in the industry.

OUR BUSINESS STRATEGIES

Continue to strengthen our existing product portfolio and diversify into products with attractive growth and profitability prospects

We seek to leverage our capabilities, including our manufacturing facilities and quality control practices, to further expand our product portfolio in the existing segments and also enter new business segments. Currently we are manufacturing various kinds of products catering to the defence sector & the dairy and kitchen equipment sector. We intend to enhance our capabilities and hence grow value chains to supply critical and differentiated engineered products with a healthy mix of developmental and volume-based production. This we believe, will be possible through acquisition of new customers for existing product lines / capabilities as well as through establishment of new capabilities and enhancement of existing specialized fabrication capabilities that could be used to cater to existing and new customers.

We have been awarded the Transfer of Technology for defence application products like improvised explosive device (IED) containment vessel, man mounted cooling system, solar snow melter and mounting & support equipment. Successful development of these products will expand our product portfolio and help us to garner more orders from the defence sector. Moreover our initiative to successfully manufacture and deliver the homeland security products used by Indian Armed Forces shall further add another feather to our cap. We aim to secure potential orders for these products and successfully manufacture and deliver them as per the customer specifications.

Delivery of appropriate and quality products will pave the way for repeat orders leading to growth in revenue and profitability. We thus intend to grow on our experience, market position and ability to timely deliver quality products and to successfully foray into other sectors as well as to foreign geographies and establish a robust relationship with our customers.

Capitalize on upward trend of Defense and Dairy sector, increasing indigenization, commercialization and policy initiatives in the sectors.

The Indian defence sector is currently focused on indigenization of various defence technologies and products. The Government of India has also recently announced Import embargo on 101 items beyond given timelines to boost indigenization of defence production which will provide more opportunities for our products and aid job creation. (Source: https://pib.gov.in/PressReleasePage.aspx?PRID=1644570)Further Union Budget for the Financial Year 2021-22, has given push to defence modernisation by increasing defence capital outlay by 18.75% increasing Defence allocation in the budget to Rs 4.78 lakh crores for the FY 2021-22 (Source: https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1693987). The Indian defence sector is at an inflection point and several policies are being laid out by the Government of India to promote the Indian manufacturing sector. The 'Make in India' campaign introduced in 2014 and the 'Atma-Nirbhar Bharat' initiative, share similar goals with regards to development of domestic defence industry and we believe that owing to our prior experience and robust relationships with our customers, we have an advantage in securing the potential orders. The objective behind these programs is to attain strategic independence by reducing import dependence. Recently the Ministry of Defence has issued Request for Proposal (RFP) for construction of six P-75(I) submarines for Indian Navy. The project would not only aid in boosting the core submarine/ship building industry but would also greatly enhance manufacturing/industrial sector, especially the MSME by development of an industrial eco-system for manufacture of associated spares/systems/equipment related to submarines. (Source: https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1737191). We believe that our Company is well-poised to capitalize on these opportunities and thereby contribute to the 'Atma-Nirbhar Bharat' initiatives by the Government of India, creating value for all of the stakeholders involved, in the process.We believe a significant demand for our defence application products is generated in India owing to our government's objective to enhance domestic sourcing as well as self-reliance, especially in areas of national importance, and that our ability to supply technologically advanced products enables us to tap growth opportunities.

The Government has implemented several schemes relating to the dairy industry like: National Dairy Plan, Intensive Dairy Development Scheme, Assistance to Cooperative Scheme, Strengthening Infrastructure and Clean Milk Production Scheme, Dairy Venture Capital Fund Scheme which are focused to increase milk production, to fund milk processing units in rural areas, to revive sick dairy cooperative unions or to provide competitive loans to urban and rural investors in the dairy industry. All these schemes shall boost the milk production in India, thereby increasing the demand for our products.

We are therefore well positioned to benefit from the Government's initiatives towards development of Defense and Dairy sector of India. This will help us to increase our foothold as a supplier for products which are currently manufactured by us and will also give us an opportunity to expand our existing products portfolio by using R&D.

Expand international presence through increase in exports

A certain portion of our business operations are focused on exports to international customers. For instance, we have in the past exported our dairy equipment products like: Bulk Milk Coolers, Solar Power Bulk Milk Coolers, Stainless Steel Milk Cans, Milking Machines etc to countries like: Finland, Sri Lanka, Fiji etc
We intend to continue expanding our international operations to enhance our global presence in the sectors we cater to. We seek to identify markets where we believe we can provide cost and operational advantages to our clients and distinguish ourselves from other competitors. To support our exports and international presence, our Company has a dedicated business development resource. We have subscribed to few Tender Portals &Directories that publish upcoming tender information. Our overseas dealers scout the potential within their territories and update us for quotations. Our monthly mailers help us to stay in sight within our overseas customers, prospects, and dealers.

Given our manufacturing capabilities, we believe that there is significant potential for us to move into newer geographies and markets. We intend to identify market opportunities in overseas jurisdictions and tie up with local partners to utilize our existing product portfolio and further develop products suitable for meeting the respective country's native requirements.

Continue to strive for cost efficiency

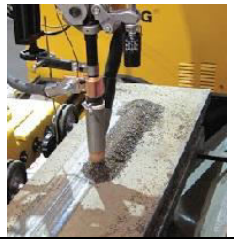
We aim to continue to maintain our focus on cost management, including in-house integrated manufacturing capabilities across our business to deliver growth as well as to achieve economies of scale. We will continue to seek to manage our supply chain costs through optimal inventory levels, economic orders and other measures. Economies of scale will also enable us to continuously improve our operational efficiencies.

One of the strategies we have adopted in the past and shall continue to adopt in the future is flexibility in manufacturing lines for different product verticals. We believe that this gives us higher utilization levels while also helping us in attaining cost advantage. Further, we intend to leverage technology for effective utilization of our machinery through digital solutions which would enable effective monitoring of the machine status and study of various shop floor patterns thereby allowing us to address the bottlenecks and to improve our output efficiency.

OUR PRODUCTS PORTFOLIO

A) DEFENCE APPLICATION EQUIPMENT PRODUCTS

Name of Products	Licensing Agreement	Description	Product Images
Bulb-bar	Licensing agreement entered with Defence Metallurgical Research Laboratory (DMRL), Hyderabad and DRDO for Transfer of Technology for manufacture and sale of Bulb Bar to Indian Armed forces, other Indian Government Agencies/Departments valid for a period of ten years from date of the agreement.	• The "Product" is "DMR-249A" Grade Steel Bulb Bars for Naval Applications. • These are used as stiffeners in shipbuilding, especially in naval construction. • The bulb bars have to meet stringent geometrical, dimensional, physical and metallurgical requirements.	
Food Container	Licensing agreement entered with Defence Material Stores Research & Development Estt. (DMSRDE), Kanpur and (DRDO) for renewal of Transfer of Technology for manufacture and sale of Food Container plastic 5.5 Ltrs for Extreme Cold Condition to be supplied to Indian Armed forces, other Government Agencies valid for a	• The warm food is supplied in these food containers to the service personnel posted at high altitudes. • The outer body is made from HDPE, inner body from polypropylene and insulation by rigid polyurethane foam in-situ to provide improved insulation and lightweight. • It keeps food warm for 4-6 h at -20"C temperature. It is having stainless steel *Katordan* and lids used with	

	period of five years from January 01, 2019 to December 31, 2024.	sturdy clamps.	
Improved Space Heating Device or Bukhari	Licensing agreement entered with Defense Institute for Physiology & Allied Sciences (DIPAS) and DRDO for Transfer of Technology to manufacture and sale of Space Heating Device (Bukhari) to Indian Armed forces, other Government Agencies (both central & state) valid for a period of ten years from the date of the agreement.	• It is two chambered structure, one for heating air and other for flue gases so that there is no mixing of harmful flue gases in the air circulated in the room. • It is used by Army in the cold conditions at high altitude. • It heats up living area through radioactive and convective heat dissipation. • It is safe and prevents accumulation of harmful gases like: CO2, NO2, etc as the exhaust is extracted out through an efficient back-draft proof exhaust system, which also helps in preventing unwanted blast hazard.	
Welding Wire	-	These are used to weld special steel used in critical applications of Indian Navy. • Austenitic Steel Grade Welding Wires • Diameter from range 1.20mm to 4.0mm • Special Alloy steel (Containing Ti, Mo, N, V) • Developed for high Tensile and high impact toughness • Suitable for SAW, SMAW, GMAW and MIG • Developed for Critical Naval Applications	
Fused Flux		Fused Flux are used for Shielding • Specially developed Fused flux for SAW • Suitable for high tensile weld joints • Provides complete shielding of weld arc ensuring a moisture free weld joint • Developed with special variety of minerals and compounds • Developed for critical Naval	 

		Applications	
Welding Electrodes		Specially Developed Super Alloy Steel Weld Electrodes • Suitable for all kinds of Arc Welding • Developed for high tensile weld Joints • Developed for critical Naval Application	
Special Steel Alloy Bricks used as Ballast weight for critical applications	-	These are Special Steel Bricks used in critical application used for counterweight for critical Naval applications. • Low Magnetic Permeability • Composition ensures corrosion resistance • Designed for ease of handling	
PRODUCTS UNDER DEVELOPMENT STAGE			
Improvised Explosive Device (IED) Containment Vessel	Licensing agreement entered with Research & Development Establishment (Engineers) (R&DEE), Pune and DRDO for renewal of Transfer of Technology for manufacture and sale of Improvised Explosive Device (IED) Containment Vessel to be supplied to Indian Armed forces, other Government Agencies valid for a period of ten years from the date of the agreement.	• It is an indigenous, one-time use, cost-effective vessel to contain detonation effects of IEDs. • It has been developed to contain detonation effects of a 6kg IED. • It is in the shape of a cylinder which is open from both sides. The cylindrical vessel is placed upright on the ground. The explosive is placed at the centre of the vessel.	
Man Mounted Cooling System	Licensing agreement entered with Defence Institute for Physiology & Allied sciences (DIPAS), Delhi and DRDO for Transfer of Technology for manufacture and sale of Man Mounted Cooling System to Indian Armed forces, other Government Agencies valid for a period of ten years from the date of the agreement.	Microclimate cooling garments has been found to be very effective in alleviating effects of high temperature. A solid-state cooling system, called Man Mounted Air conditioning System has been developed by DIPAS. Thermoelectric cooling is based on 'Peltier Effect' in which current passed around a circuit of different materials, one junction gets heated while other junction is cooled depending on the direction of current flow.	

Solar Snow Melter	Licensing agreement entered with Defence Institute for Physiology & Allied sciences (DIPAS), Delhi and DRDO for Transfer of Technology for manufacture and sale of Solar Snow Melter to Indian Armed forces, other Government Agencies valid for a period of ten years from the date of the agreement.	The Army posts located in remote high altitude areas do not have electricity. Kerosene stoves are currently used to melt the snow. To overcome these problems, a solar snow melter has been developed which is able to meet requirement of water to a great extent at snow bound high altitude locations thus saving cost.	
Mounting and support Equipment for Camouflage Net	Licensing agreement entered with Defence Material Stores Research & Development Establishment (DIPAS), Kanpur and DRDO for Transfer of Technology for manufacture and sale of Mounting & Support Equipment for Multi Spectral Camouflage Net (MSCN) to Indian Armed forces, other Government Agencies valid for a period of ten years from the date of the agreement	Mounting and Support Equipment is developed for mounting/erection of Multi Spectral camouflage Net (MSCN) or any other similar camouflage nets on Defence systems and equipment, to disrupt their geometry & contour and providing desired camouflage cover. The product is designed and developed for the required high-speed wind, other static loading and camouflage features.	

B) DAIRY EQUIPMENT PRODUCTS

Name of Products	Description	Product Images
Robotic Milk Collection Unit (RMCU)	Robotic Milk Collection Unit in two variants of 25 Ltr and 40 Ltr • Self-milk deposit kiosk for dairy farmers • Minimum human intervention during the collection process • Automatic sample collection • Analyses milk weight, SNF & FAT along with other 6 parameters • Simultaneous adulteration detection along with milk analysis assures quality milk collection • Benefitting Dairy Farmers, Milk Societies and Dairies in many ways like: saving on milk samples, lesser waiting time including lesser dependency on manpower, inferior milk is not mixed with main milk, cloud based data available for dairy personnel, live data collected can help better milk collection routes etc.	
Stainless Steel Milk Can	Milk Pails, Insulated Milk Cans and Lockable Lids • Strong & Sturdy Body • Ease of Use and Easy Cleaning • Preserves milk for longer duration • Corrosion Resistant	

	• Crack Resistant • Specifications as per NDDB approved standards	
Bulk Milk Coolers (BMC)	BMC is equipment made to store dairy milk in cylindrical tank at a cold temperature till it can be picked up by milk tankers. There are two variants of BMC: (i) Dx Type Bulk Milk Coolers (BMC) and (ii) Solar cum grid Powered BMC **(i) Dx Type BMC** • Milk is cooled by direct expansion of refrigerant in the evaporator. • Because of the free evaporation and proper mixing of the milk, the heat exchange is optimal, a high cooling capacity is guaranteed, and freezing is prevented, for any amount of milk ranging from 300 to 10,000 Ltr • This Energy efficient condensing unit gives fast cooling while saving energy and is easy to install, operate and maintain. **(ii) Solar cum grid Powered BMC** • Power Tracking Module for optimum use of Solar Energy • Operates on both Grid and Battery Power • Battery Backup 6 hours, Recharging Time 7 hours • Under & Over Voltage Protection • Reverse Polarity Protection • Output Short Circuit Protection • Protection from Lightning	
Milking Machines (With Spare Parts)	It is a machine used to draw milk from cows or other milch animals. Designed to minimize human contact with milk which helps in maintaining hygiene during milking and produces with a lower bacterial count. We manufacture 2 types of Milking Machine: - **(i) Mobile/Trolley Milking Machine** Trolley type milking machine is good for relatively small farmers who have lesser number of cows and need to move milking machine relatively more. **(ii) Fixed Type Milking Machine** Fixed type milking machine are good for larger dairy farmers who want to save time and cost while improving the farm hygiene as well. • Saves on the cost of construction for a designated place. • Mobility makes it easier to milk animals at their place without much problem. • Reduction of dependency on skilled farm workers. • High hygiene standards • Low maintenance cost • Easy to Install and Operate • User friendly • Maximum output to improve economic benefits for dairy	

	farmers. • Energy Efficient • Economical We also manufacture milking machine spare parts like: Pulsator, Claw, Milk Cluster Unit, Tubing, Bucket, Vacuum Unit, Teat Cup, Liner, Vacuum Gauge etc.	
Cow Grooming Brush	The cow grooming machine makes the cows happy there-by raising their wellness, comfort and milk yield. • It removes dirt, parasites and other contaminants from skin and hair of the cattle. • It is an important tool for a dairy farm which enhances the comfort of the cattle by reducing its health problems and increasing the milk production. • It can be easily mounted on existing wall or pole of cattle shed. • Swinging action of the brush provides its reach to all body parts of cow. With the access to the grooming brush, they are cleaner and happier and spend about fivefold more time for grooming compared with when brushes are not available. And this enhanced comfort results in higher milk yield for the farm overall.	

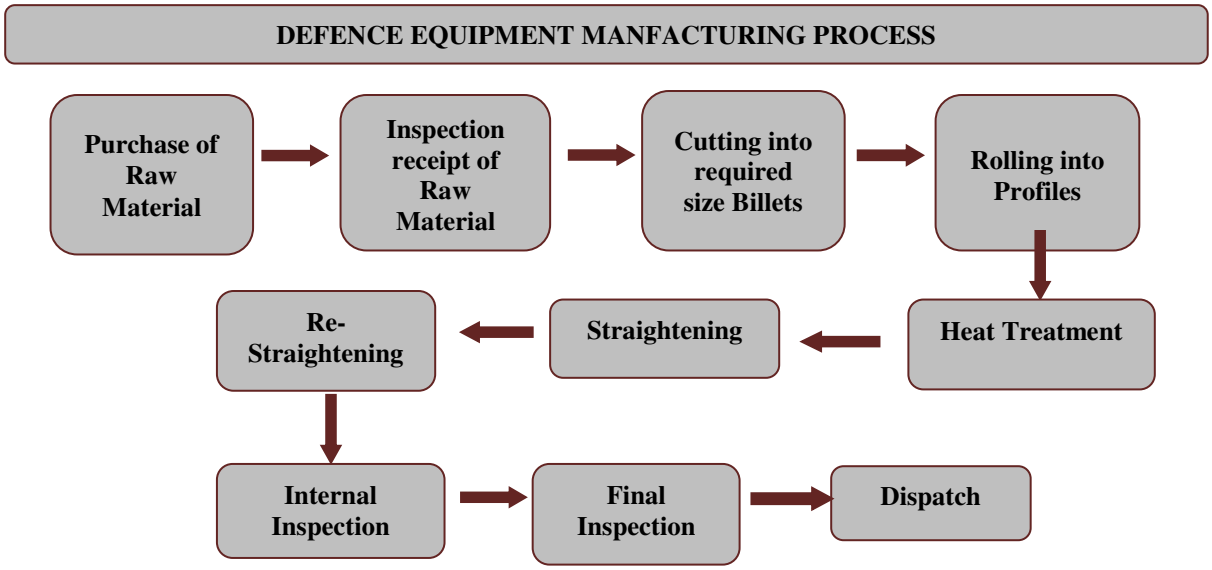
C) KITCHEN EQUIPMENT PRODUCTS

Name of Products	Description	Product Images
Rice Cauldron	• Rice Cauldron is used to cook rice. It is available with multiple fuel options viz., LPG & Steam. • Capacity 150-700L • Made from AISI 304 Food Grade Stainless Steel • Tilting Mechanism – Gear or Hydraulic • Locking Arrangement • Direct steam is injected through specially designed nozzels from the bottom of the vessel. • Perforated Screen: 3 mm SS 304 Sheet is placed just above the bottom to ensure that rice never touches bottom	
Dal Cauldron	• Equipment used to cook Dal or Sambhar. • Capacity 300-3000L • Made from AISI 304 Food Grade Stainless Steel • Locking Arrangement • Strong & Sturdy Body • Ease of Use and Easy Cleaning • The unit is provided with an agitator • The agitator helps to keep the homogeneity of the preparation. • The ingredients can be loaded into the cauldron by opening the top lid. • A sufficient capacity outlet valve is provided for unloading of the prepared dal or sambhar into the dal storage tank. • Available in LPG & Steam	

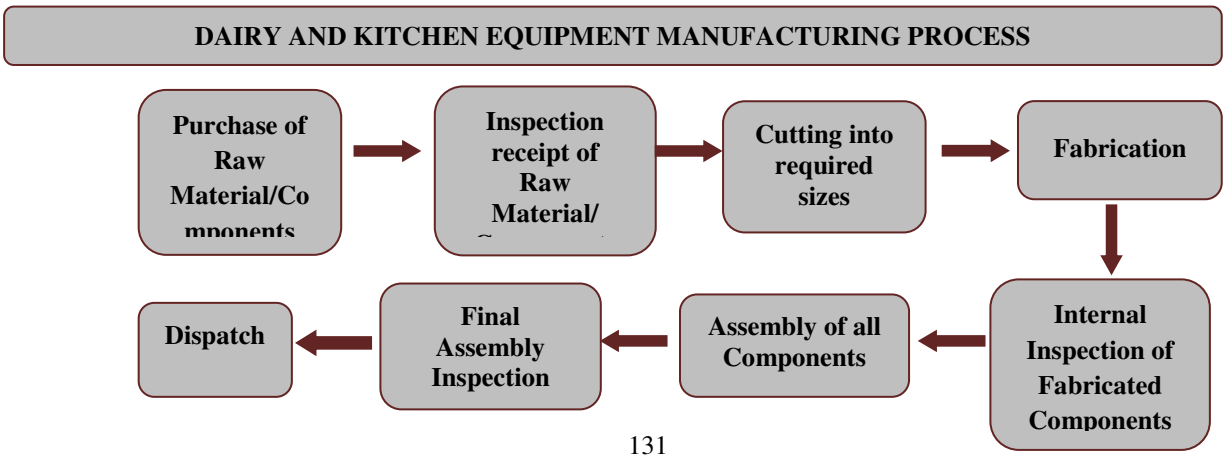
Braising Pan	• A braising/ brat pan is a heavy-duty commercial cooking appliance that can perform up to eight cooking functions: braising, boiling, steaming, poaching, stewing, roasting, deep frying, and shallow frying. • Capacity – 150 – 500L • Made from AISI 304 Food Grade Stainless Steel • Tilting Mechanism – Gear or Hydraulic • Locking Arrangement • Available in LPG	
Distribution Vessels	• Wide mouth facilitates easy cleaning • Made from AISI 304 Food Grade Stainless Steel • Strong & Sturdy Body • Ease of Use and Easy Cleaning • Available in 10L, 20L and 30L • Available in Insulated & Non-Insulated Variants • Both Variants available with Regular and Lockable options • Can be stacked in a cold room or in a vehicle for storing or transportation.	
Rice Chute	• Equipment used for dumping the cooked rice from the rice cookers and act as filling station for distribution vessels. • Capacity 500 – 700kg • Made of AISI 304 Food Grade Stainless Steel • Thickness of Stainless Steel used 3.0 mm • The chute is designed in such a way that the cooked rice can be pushed easily towards the outlet or filling valve. • Slot provided for unloading rice to minimize spillage.	
Dal Storage Tank	• Equipment to be used to receive dal or sambhar from dal cauldrons, store and distribute the same. • Capacity 500-2500L • This acts as a filling station for distribution vessels ranging from 10L, 20L and 30L. • Two outlets are provided to the tank for filling the smaller vessels. • The storage tank can be provided with an agitator which keeps the homogeneity of the cooked food. • The bottom of the tank is designed in such a way that maximum dal or sambhar can be drained out through the outlet valves.	

Manufacturing Processes

Our manufacturing process variesdepending upon the type of products. Broadly, our manufacturing facilities undertake the operations as per the process plans laid-out and the in-process quality inspection procedures, that are carried out as per the QAPs. Once operation/process is completed, the product is tested once again to ensure dimensional and other properties. While the manufacturing of each product involves different processes, set forth below is a typical product lifecycle of manufacturing carried out by our Company:



- Company Purchases Raw Material from authorized dealer and quality check is done by the in house quality control team.
- Once the QC team approves the Raw Material, it is sent for cutting into different shapes and sizes.
- After cutting, the product is rolled into different profiles as per customer requirement.
- Rolled products are generally uneven for which we need to do straightening process of the given profiles.
- The profiles are straightened and then heat treatment is done which generally alters physical and chemical properties of the material. After which quenching is done to cool down the raw material.
  Once the profile is out from quenching, we do straightening again for the final finish. We carry out internal QC. In case of any issue, we rectify the issue and call for final inspection by third party approved by relevant quality department.
- Goods are then packed as per customer requirement and its ready for dispatch.



- Raw Materials and components are procured from registered vendors and quality check is done by the In house quality control team.
- Once done with initial inspection, we start cutting the material in required shapes and sizes.
- Fabrication is then carried out by our team. Fabricated units are then inspected by the internal quality control team.
- After quality control procedures, assembling is carefully done of all components and the product is then ready for final inspection.
- Final assembly inspection is done by quality control team. In case of any issue, we rectify the units so that they are approved by relevant quality department.
- The goods are then packed as per customer specifications and sent for dispatch procedures.

PLANT & MACHINERY

The major plant & machinery installed for our Defense Application Products Manufacturing division includes:

Hardening Furnace, Flameless Tempering Furnace, Water Quench Tank, Crane, Cooling Tower, Piped Natural Gas Line, Rolling Mill, Over-Head Cranes, Bandsaw Cutting Machine, Roller Straightening Machine, Hydraulic Straightening Machine, PUG cutting machine, Swing Frame Grinder , Hydraullic Surface Grinder, Horizontal Agitator With Submersible Motor, Transformer , Welding Machine, Universal Horizontal Knee Type Milling Machine, Lathe machine, Surface Grinder, Drilling Machine, Shaping Machine, Polishing Machine, Induction Melting Furnace, Ladle Preheating Attachment, Bottom Pouring Ladle, Top Pouring Ladle, Top Pouring Ladle, CI Mould Assembly, Muller, Sand Mould Box, Heating Oven, Gouging Machine, Crane, Quenching Tank, Crusher, Grader, Baking Oven, Band Saw Machine, Oil Fired Furnace, Forging Hammer, Pusher Type Furnace, Rolling Mill, Shearing Machine, Automatic Coiling Machine, Solution Annealing Furnace, Alkaline Melt Bath Equipment, Washing Bath Equipment, Pickling Bath Equipment, Pressure Pump, Bright Annealing Furnace, Lime Coating Tank, Pointing Machine, Bull Block for Wire Drawing, Butt Welding Machine, Dry Mixing Unit, Wet Mixing Unit, Briquetting Machine, Wire Cutting Machine, Wire Feeding Unit for Extruder, Extruder Machine, Electrode Conveyor, Wet Flux De-coating Machine, Electrode drying trays, Shrink Wrapping Unit Sand Mould Box, OE Spectrometer etc.

The major plant & machinery installed for our Dairy and Kitchen Equipment Manufacturing division includes

Seam Welding Machine, Vertical Drilling machine, Rolling Machine, Spot Welding Machine, Compressor, Hydraulic Press Break (Bending Machine), Shearing Machine, Bench Grinder, Lathe Machine, Knuckling Machine, Circle Cutting Machine, Hydraulic Press Machine, Puff Filling Machine, Rolling Machine, Polishing Machine, Shaft Grinder, Pickling Machine, Tig Welding Machine, Arc Welding Machine, Plasma Cutting Machine, Angle Grinder, Die Grinder, Hand Drill Machine, Crane etc.

CAPACITY UTILIZATION

Products	Total Capacity (p.a.)	2018-19		2019-20		2020-21	
		Prod. Qty	%	Prod. Qty	%	Prod. Qty	%
Bulk Milk Coolers	288 Sets	127 Sets	44.10 %	74 Sets	25.69 %	37 Sets	12.85 %
Stainless Steel Milk Cans (40 ltrs capacity)	24,000 Pcs	20,777 Pcs	86.57 %	18,350 Pcs	76.46 %	19,535 Pcs	81.40 %
Milking Machines (With Spare Parts)	2,400 Sets	829 Sets	34.54 %	517 Sets	21.54 %	198 Sets	8.25%
Steel Section Bulb-bar	2,400 MT	384 MT	16%	215 MT	8.96%	344 MT	14.33 %

Kitchen Equipment	20 Sets	12 sets	60.00	4 sets	20%	16 sets	80%

5.5 Ltr Plastic Food Container, Improved Space Heating Device, Weld Consumables (Wire, Flux & Electrodes) and Ballast Bricks have been successfully developed and the sales for the same would be generated shorty. The annual installed capacity of 5.5 Ltr Plastic Food Container, Improved Space Heating Device, Weld Consumables (Wire, Flux & Electrodes) and Ballast Bricks would be 24000 pcs, 30000 pcs, 150MT and 1000MT respectively.

Robotic Milk Collection Unit (RMCU)the field trials for the same have been successful and we have recently also booked sales order for the same. We are capable of manufacturing upto 1200 pcs of the same annually.

Defence Products like IED Containment Vessel, Man-Mounted Cooling Systems, Solar Snow Melter and Mounting Support for Camouflage Net are under development and the production capacity of the same would be determined post the successful development of the products.

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary. For details, please refer to Chapter titled ***"Risk factors"*** *page 29 of this Red Herring Prospectus.*

COLLABORATIONS/TIE UPS/ JOINT VENTURES:-

Except as disclosed in this Red Herring Prospectus and in the normal course of business, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date.

EXPORT OBLIGATION:

Our Company does not have any export obligation, as on date of this Red Herring Prospectus.

QUALITY CONTROL AND SERVICES

In the industries which we serve, adherence to quality standards is a critical factor as any defects in any of the products manufactured by our Company or failure to comply with the specifications of our customers may lead to cancellation of the purchase order placed by our customers. In order to maintain the quality standards and comply with the design specifications provided by our customers and to ensure that our products successfully pass all validations and quality checks, the quality control team is tasked not only with thorough pre-manufacturing checks and balances but also with employing an extensive and stringent quality control mechanism at each stage of the manufacturing process including identification of raw materials, in-process quality checks during component manufacturing, quality checks after component manufacturing, sub assembly and assembly stage.

We provide a warranty period for our products (typically 12 months from the date of delivery of products). Any manufacturing defects in our products during the warranty period are required to be repaired or replaced by us at our expense. Depending on the customer, we are also required to provide performance bank guarantee. Any delay in the supply of goods may lead to the levy of liquidated damages or invocation of the performance bank guarantee by our customers.

HEALTH, SAFETY AND ENVIRONMENT

We continually aim to comply with the applicable health and safety regulations and other requirements in our business operations. We implement work safety measures to ensure a safe working environment including general guidelines for health and safety at our offices and manufacturing facilities, accident reporting, wearing safety equipment and maintaining clean and orderly work locations. Further, environmental requirements imposed by the Government of India and state governments will continue to have an effect on our operations and us. We believe that we have complied, and will continue to comply, with all applicable environmental laws, rules and regulations.

SALES AND MARKETING:-

We have a strong sales and marketing team focusing on customer development and maintaining customer relationship. This team is also responsible for the marketing of our products, negotiating prices, procuring repeat orders and ensuring timely dispatch and deliveries. Our sales team has built long-term relationships with a number of our customers. We have been focusing on supplying our products to government entities and dairy/milk cooperative societies, which are undertaken through the tender process where, expression of interest ("EOI") is issued publicly on respective website.

As a response to the EOI, bidders such as our Company, send proposals bidding for the particular order, typically without specific price information. Based on such proposals, the customer then issues a request for information ("RFI") with specific requirements, pursuant to which only certain suppliers apply who can satisfy such requirements. The customer then issues a request for quotation or tender documents, pursuant to which suppliers send the detailed proposal including the price quote. Thereafter, the customer conducts a technical evaluation and price evaluation. The lowest bidder satisfying the technical criteria and based on all costs including logistics, warranty and servicing is selected and accordingly the purchase order is issued to successful bidder. We have a dedicated team for tender bidding and procurement process. For certain products, the EOI and RFI may not be followed, and the customer may invite tenders through GeM portal or E-Procurement portals for the products required. We have a dedicated team to cater to both online and offline tenders.

Our Company also actively participates in various exhibitions organized by the State and Central Government likewe had recently taken part in DeFExpo 2020 in Lucknow in March 2020 which is INDIAs biggest defence exhibition where not only INDIAN but also big defence companies around the world had taken part. Wehave taken part in homeland security expo and Police Expo which is known for homeland security products and have also participated in Dairy Livestock and Poultry Expo Asia 2019 and India International Dairy Expo 2019 for Dairy Equipment Products. The exhibitions and fair gives us a platform to exhibit our products. We sell our products primarily under sales contracts and purchase orders on various terms with our customers and are obliged to deliver products according to a pre-agreed price and schedule during the term of the contract or purchase order.

MARKETING STRATEGY: -

We employ a very customer-driven approach to business development that is strongly oriented to the customer's specifications and satisfaction. We intend to focus on following marketing strategies:

1. Developing wider range of products in each business vertical
2. Focus on existing markets
3. To expandour existing distribution baseby reaching out to other geographical areas
4. Supply of quality products
5. Fulfillment of ordered quantity at scheduled delivery time

COMPETITION

Our company operates in a very niche Industry and is well placed, informed and trained to conclude timely and quality delivery of its products. However, experiencing the rapid development and government initiatives in the said industry we are witnessing some competition. While there are companies which manufacture similar products that we sell, we do not have any direct competitor business. Further, our ability to offer a wide range of products and end to end solutions to our customers meeting their varying requirements, differentiate us from our competition. We believe the principal elements of competition in our industry are product features, design, quality, price, delivery, general customer experience, time to market, availability of after-sale and logistics support, and relationships between producers and their customers. In the dairy industry we compete with regional and local companies manufacturing similar products. There are companies in Defence sector with specialized technology competencies like us, however due to the difference in the range of products offered by our competitors and us, they are not directly competitive to our company.

INFRASTRUCTURE & UTILITIES:

Raw Materials and other assembly items: The main raw materials required in manufacturing our defence, dairy and kitchen equipment are special steel & stainless steel respectively. We also use Steel flat bar, aluminum sheet/round bar for manufacturing Defence application products like: Bulb Bars, Food Container, Bukhari. Along with steel our dairy equipments are manufactured using items like Condensing Unit, PHE, DG Set, Weighing Scale, Agitator, SS Pipe & Fittings, Sensors, Electronic and Rubber Components etc. which are procured from various suppliers to be assembled in our factory. Products like Cow Grooming Machine and Milking Parlour also require GI Sheets and Profiles in the manufacturing process.

Power:The requirement of power for our operations, like power for lighting and operating the machinery/equipment for our factories at Kalol and Halol and our Corporate office at Vadodara is met through Madhya Bharat Vij Company Limited Further, the power requirement for registered office at Mumbai is met through The Brihanmumbai Electric Supply & Transport for uninterrupted power supply.Wealsohave Diesel Generators installed at both the factories as a power backup.

Water:Water requirement for our factories at Kalol and Halol is fulfilled through GIDC supplied water. Additional water requirement is arranged from local water tankers vendors.

Manpower: We believe that our employees are key contributors to our business success and thus we focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business. As on December 31, 2021, our Company has employed 209 employees at various levels of the Organization. We also employ manpower on contractual basis as per our manufacturing requirements.

INSURANCE

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of machinery/equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We have insured both our factories with Business Guard - Bharat LaghuUdyamSuraksha Insurance Policy against fire and burgulary in relation to building, plant & machinery and stocks and other consumables and spares. We have also insured our registered office with Royal Sundaram Bharat SookshmaUdyamSuraksha Insurance Policy. However, we are not insured against risk related to machinery breakdown, product's liability, cash in transit, Employees Compensation,domestic and export shipments covering comprehensive risks. For further details, please refer to Risk factor ***"Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition"*** on page 37 of this Red Herring Prospectus.

INTELLECTUAL PROPERTIES

The details of Trademarks registered by our Company are:-

Sr No	Brand Name Logo/ Trademark	Class	Nature of Trademark/Patent	Owner	Application Number and Date	Status
1	Trademark Ki- Krishna Allied Industries P Ltd	6	Ki- Krishna Allied Industries Private Limited	Krishna Allied Industries Private Limited	App. No. 4565040 Dated: July 10, 2020	Objected
2	Trademark	6	K KRISHNA		App No: 5272791	Objected

			KRISHNA		Dated: January 04, 2022	
3	Trademark	11	K KRISHNA KRISHNA		App No: 5272792 Dated: January 04, 2022	Objected

The details of Patent registered in the name of our Company are:-

Sr No	Patentee	Patent No	Nature of Patent	Issuing Authority	Application Number and Date	Date of Grant	Validity
1	Krishna Allied Industries Private Limited	374438	Patent Granted for an invention entitled AUTOMATED MILK ANALYSIS AND COLLECTION APPARATUS	Government Of India Controller of Patent The Patent Office	App. No. 3372/MUM/2015 Dated: September 09, 2015	August 12, 2021	Valid for the term of 20 years

IMMOVABLE PROPERTIES

Details of our immovable properties are as below:-

Sr. No	Details of the Property	Actual Use	Owned/ Leased	Details of Lessor/Licensor
1.	344, Floor-3, Plot-267, A TO Z Industrial Estate, Ganapatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai 400013, Maharashtra, India	Registered Office	Owned	Sale Agreement dated 21.06.2018 between Shalimar Infotech Private Limited and Krishna Allied Industries Pvt, Ltd. for Consideration of Rs 2,18,00,000/-
2.	2nd floor office no·207·208 Atlantis Heritage,Vadivadi Road, Sarabhai campus, Vadodara, Dist.: Baroda·390023	Regional Office	Leave and License	Lease Deed dated 19.12.2020 betweenDr. KamaldeepYashpalChawla&DivyaKamaldeepChawla& Krishna Allied Industries Private Limited for a term of 3 years starting from 15.01.2021 to 14.10.2023 at lease rent of Rs. 65000/- p.m. for first year, Rs. 68250/- p.mfor second year and Rs. 71662/-p.m for third year.
3.	Plot No: 121/8GIDC Kalol Dist. Panchmahal, Gujarat	Factory - 1	Leased	Agreement dated 04.04.2006 between Gujarat State Financial Corporation and M/s. Krishna Industries for Consideration of Rs 6,00,000/-
4.	Plot No: 121/9 and 121/20 GIDC Estate Kalol, Panchmahal, Gujarat		Leased	Sale Deed dated 27.10.1997 between Gujarat State Financial Corporation & M/s. Krishna Industries for Consideration of Rs. 3,30,583/-
5.	Plot No: 121/21 at Kalol Industrial Estate Dist: Panchmahal Gujarat		Leased	Lease Deed dated 11.05.2006 between Gujarat Industrial Development Corporation and M/s. Krishna Industries for the lease rent of Rs

				47,520/- as full payment for the term of 99 years computed fromthe May 28, 2001.
6.	Plot No: 121/22 at Kalol Industrial Estate Dist: Panchmahal Gujarat		Leased	Agreement dated 11.05.2006 between Gujarat Industrial Development Corporation and M/s. Krishna Industries for the lease rent of Rs 73,359/- as full payment for the term of 99 years computed fromthe August 28, 2002.
7.	Plot No: 121-23 & 24 at Kalol Industrial Estate Dist: Panchmahal Gujarat		Leased	Agreement dated 21.12.2011 between Gujarat Industrial Development Corporation and M/s. Krishna Industries for the lease rent of Rs. 1,09,080/- as full payment for the term of 99 years computed from the 30.03.2007. The Company has given these plots on sub-lease to its Group Company, White Gold Technologies LLP for a period of 8 years w.e.f. 1st December 2017 at a monthly lease rent of Rs. 15000/- till March 2018, Rs 20,000/- per month for next one year and thereafter @5% increase every year.
8.	503/A GIDC, Estate, Halol	Factory - 2	Leave and License	Leave and License agreement dated 25.10.2021 between Krish Industries Private Limited and Krishna Allied Industries Private Limited for Term of 5 years starting from 01.10.2021 to 30.09.2026for lease rent of Rs 2,40,000/- per month.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled ***"Government and other Approvals"*** *on page 253 of this Red Herring Prospectus -*

This chapter has been classified as under:

A. Core Industrial Laws
B. Corporate and Commercial laws
C. Labour and Employment Laws
D. Environmental laws
E. Tax Laws
F. Foreign Regulations
G. Intellectual Property Laws

A. CORE INDUSTRIAL LAWS

Defence Production policy 2011

The Defence Production procedure 2011 came into effect from January 01, 2011. In order to synergize and enhance the national competence in producing state of the art defence equipment/weapon systems/platforms within the price lines and timelines that are globally competitive; all viable approaches such as formation of consortia, joint ventures and public private partnerships etc. within the Government approved framework will be undertaken. The Academia, Research and Development Institutions as well as Technical and Scientific Organizations of repute will be involved for achieving this objective.

Under the said policy Ministry of Defence has thereby mandated and moved the Government departments including DRDO for reverse engineering, Transfer of Technology Agreement, Preferential allotment of tender to Indigenous Suppliers to an approved limit, for optimum utilization of the defence production facilities developed by the Government of India over the years in Defence PSUs, Ordnance Factories and in Defence related research and development. Accordingly, through this policy the Government made provision for import substitution and increased participation from indigenous industry.

Draft Defence Production and Export Promotion Policy 2020

The Draft of Defence Production and Export Promotion Policy 2020 was put for public views by Ministry of Defence, Government of India in August 2020.

DPEPP is anchored on the vision of making India a leading country of the world in defence, aerospace, naval and submarine sector both in design, as well as, production through the participation of public and private sectors. DPEPP sets the goal of Defence production turnover of 25 Bn USD (175,000 Crs) and export target of 5 Bn USD (35000 Crs) by 2025.

The Policy lists several goals and objectives. These include making the defence industry dynamic, robust and competitive, reducing import dependence (current global share 15%), and promoting exports, encouraging R&D, rewarding innovation, creating more and more Indian Intellectual Property (IP) etc. The policy is yet to be made effective.

Defence Acquisition Procedure 2020

The Defence Acquisition Procedure [DAP] 2020 has been established in 2020 as a part of 'Atmanirbhar Bharat Abhiyan' in the sector of defense manufacturing. It came into effect from October 01, 2020. The DAP is applicable on the procurement and acquisition of upgraded technology, products and services for the Tri-services and other allied defence services.

The key features of DAP 2020 include:

a) Enhancement of indigenous content: through increase in the procurement and acquisition of indigenously manufactured products and technologies in the sector. This would include inter-governmental agreements that would help import substitution of defense products, technologies and spare parts.
b) A indigenous content in DAP 2020 is reproduced below:

Category	**DAP 2020**
Buy (India -IIDM)	Min 50%
Buy (India)	Indigenous design- Min 50% Otherwise - Min 60%
Buy and Make (India)	Min 50% of Make
Buy (Global - Manufacturer in India)	Min 50% of Buy plus Make
Buy (Global)	Min 30% for Indian vendors

c) Buy (Global – Manufacturing in India) – The entire or part of the manufacturing procedure for equipment / spare parts / Maintenance or Repair of any out of India procured goods must be conducted by the Indian subsidiary of foreign supplier.

d) Project Management Unit and Preference to Indigenous Manufacturers- Facilitation of operations and decision making through the Project Management Unit; Preference to manufacturers producing complete defense products, rather than parts; Increase of multipliers in the offset policy with respect to direct purchase, Transfer of Technology and Foreign Direct Investment to incentivize the discharge of offsets; Systematic trials and testing such as avoidance of duplicate trials etc

e) Increased FDI Cap: FDI in defense manufacturing is permitted up to 100% [up to 74% under Automatic route and beyond 74% under Government Route.

The DAP will remain in force till September 30, 2025 or till reviewed.

B. CORPORATE AND COMMERCIAL LAWS

Companies Act, 2013

Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of

the shareholders. The law lays down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

Competition Act, 2002

The Competition Act, 2002 came into effect on June 1, 2011 and has been enacted to "prohibit 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. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.

The Registration Act, 1908 ("Registration Act")

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed 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.

Indian Stamp Act, 1899 (the "Stamp Act")

Under the Indian Stamp Act, 1899 (the "Stamp Act") stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. 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 and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

The Arbitration and Conciliation Act, 1996

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

The Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 (the "code") cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Insolvency Regulator (The Insolvency and Bankruptcy Board of India) has been established to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities.

The Micro, Small and Medium Enterprises Development Act, 2006 r/w Industries (Development and Regulation) Act, 1951

The Act provides for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The Central Government is empowered to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, (ii) a small enterprise, or (iii) a medium enterprise, as per criteria mentioned in the said Act. The MSMED Act inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

Negotiable Instruments Act, 1881

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonor of cheques a criminal offence if the cheque is dis honored on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

The Consumer Protection Act, 2019

The Consumer Protection Act provides better protection to the interests of consumers. This is enabled with the establishment of consumer councils and other authorities for the settlement of consumers' disputes and matters connected therewith. The Consumer Protection Act protects the consumers against any unfair/restrictive trade practice that has been adopted by any trader or service provider or if the goods purchased by him suffer from any defect or deficiency. In case of consumer disputes, the same can be referred to the redressal forums set up under the Act.

C. LABOUR AND EMPLOYMENT LAWS

Industrial (Development and Regulation) Act, 1951

This Act has been liberalized under the New Industrial Policy dated July 24th, 1991, and all industrial undertakings have been made exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

Child Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act, the employment of child labour in the building and construction industry is prohibited.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for the protection of women at work place and prevention of sexual harassment at work place. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following

acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

The Maharashtra Shops & Establishments (Regulation of Employment and Conditions of Service) Act, 2017("Shops Act")

The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 came into effect August 08, 2017. The 2017 Act replaces the Maharashtra Shops and Establishment Act of 1948. The law is applicable to all commercial establishments in the State, (not covered under the Factories Act), employing 10 or more workers and requires intimation from every establishment employing less than 10 workers to the government authority by submitting an application within prescribed time. . The New Act read with The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Rules 2018 require all commercial establishments to register itself as a commercial establishment without any fee. However, the new Act require the registered entities to file an Annual return in Form 'R'. The New Act has also introduced a new concept for the safety of women employeesby restricting their working hours for between 7:00 am to 9:30 pm. Now, after the new Act the women employees (with consent) shall be allowed to work during 9:30 pm and 7:00 am only if adequate protection of their dignity, honour and safety, protection from sexual harassment and their transportation are provided by the employer. The New Act also limits the total number of overtime hours of the employees which shall not exceed 125 hours in three months.

The Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019

The Gujarat Shops & Establishments (Regulation of Employment and Conditions of Service) Act, 2019 ("2019 Act") was published in the gazette of the State of Gujarat on Mar 7, 2019 and has been in force from May 1, 2019.
The shops and establishments already validly registered under the erstwhile 1948 Act are not required to register themselves afresh under the new Act until the expiry of the previous registration. Traders and businessmen having up to 9 workers are exempt from registration. Such employers are required to submit an online application along with self-certified documents within 60 days of commencement of business. As regards shops and establishments having 10 or more workers, an application for registration, self-declaration and self-certified documents must be submitted to the concerned Inspector along with prescribed fees within 60 days of commencement of business. Once registered under the 2019 Act, the shops/establishments shall remain validly registered until there is change in ownership or nature of business. This means the registration obtained shall not be required to be renewed.

Public Liability Insurance Act, 1991

Where death or injury to any person (other than a workman) or damage to any property has resulted from an accident, the owner shall be liable to give such relief as is specified in the Schedule for such death, injury or damage:

(i) Reimbursement of medical expenses incurred up to a maximum of Rs. 12,500 in each case.

(ii) For fatal accidents the relief will be Rs. 25,000 per person in addition to reimbursement of medical expenses if any, incurred on the victim up to a maximum of Rs. 12,500.

(iii) For permanent total or permanent partial disability or other injury or sickness, the relief will be (a) reimbursement of medical expenses incurred, if any, up to a maximum of Rs. 12,500 in each case and (b) cash relief on the basis of percentage of disablement as certified by an authorised physician. The relief for total permanent disability will be Rs. 25,000.

(iv) For loss of wages due to temporary partial disability which reduces the earning capacity of the victim, there will be a fixed monthly relief not exceeding Rs. 1,000 per month up to a maximum of 3 months: provided the victim has been hospitalised for a period of exceeding 3 days and is above 16 years of age.

(v) Up to Rs. 6,000 depending on the actual damage, for any damage to private property.

Code of Wages, 2019

The Code aims to consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto. It received the assent of President of India on August 08, 2019. The Code contains procedure for fixing minimum wage, limit for fines and deductions in wages, minimum and maximum bonus, calculation of allocable and available surplus, as well as gender neutral consideration in fixing wages. The Code has given the power to Central Government to fix a "floor wage" and the State governments cannot fix any minimum wage less than the "floor wage". It amalgamates and subsumes four imperative labour laws - the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The date of implementation of the Code is yet to be notified.

The Code on Social Security, 2020

This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. The Code aims to provide better social security benefits such as provident fund, insurance and gratuity to workers. It extends the reach of the Employees' State Insurance Corporation and the Employees' Provident Fund Organization (which regulate benefits such as provident fund, insurance, pension, etc.) to the workers in the unorganized sector and the platform and gig workers. The Code further stipulates gratuity benefit for fixed term employees without any condition for minimum service period as envisaged under the current regime. The Code subsumes nine (9) labour laws relating to social security, namely, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine-Workers Welfare Fund Act, 1981, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers Social Security Act, 2008.

The Industrial Relations Code, 2020

This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. The Code aims to streamline the laws regulating industrial disputes and trade unions in India. For the benefit of the employers, the Code has introduced various aspects such as increasing the threshold of workers to three hundred (300) for obtaining the consent of the concerned government in case of lay off, retrenchment or closure of the establishment, notice of change not required to be given subject to the conditions stipulated in the Code, increasing the wage threshold to INR 18,000 (Indian Rupees Eighteen Thousand) for exclusion from the definition of worker, etc. The Industrial Relations Code also introduces the concept of deemed certification of standing orders. The Code subsumes three labour laws relating to industrial relations, namely, the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947

Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 (OSH Code) is one of three new labor codes that will consolidate the bulk of labor legislation in India and streamline labor compliance besides expanding the social security net for workers. This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. Rules to implement the Code are expected to be finalized in the next few weeks.

New establishments covered by the OSH Code must register themselves (within 60 days of commencement of the Code) with registering officers appointed by the appropriate government. Establishments already registered under any other federal law will not be required to register again.

Every employer is directed to undertake the following obligations by the OSH Code:

- Ensure that the workplace is free from hazards can cause injury or occupational disease to the employees and comply with the OSH Code and the government's directions on the same;
- Provide free annual health examination or testing, free of cost, to certain classes of employees;
- Provide and maintain, as reasonably practical, a working environment that is safe and without risk to the health of the employees;
- Issue letters of appointments to employees; and
- Ensure that no charge is levied on any employee for maintenance of safety and health at workplace, including the conduct of medical examination and investigation for the purpose of detecting occupational diseases.

Further, the Code directs employers with respect to factories, mines, dock work, building and other construction work, or plantations to ensure: (i) safety arrangements in the workplace and absence of risk to health in connection with the use, storage, and transport of articles and substances; (ii) provision of such information, instruction, training, and supervision as are necessary to ensure thehealth and safety of all employees at work, etc. This Code shall subsume more than 10 labour laws including Factories Act 1948, Contract Labour Act 1970 and Mines Act 1952.

Apprentices Act, 1961

The Apprentices Act was enacted in 1961 for imparting training to apprentices i.e. a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Every employer shall make suitable arrangements in his workshop for imparting a course of practical training to every apprentice engaged by him in accordance with the programme approved by the apprenticeship adviser. The central apprenticeship adviser or any other person not below the rank of an assistant apprenticeship adviser shall be given all reasonable facilities for access to each apprentice with a view to test his work and to ensure that the practical training is being imparted in accordance with the approved programme.

E. ENVIRONMENTAL LAWS

Environment Protection Act, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

Water (Prevention and Control of Pollution) Act, 1974, as amended

The Water (Prevention and Control of Pollution) Act, 1974prohibits the discharge of pollutants into water bodies beyond a given standard, and lays down penalties for non-compliance. The Water Act also provides that the consent of the State Pollution Control Board must be obtained prior to opening of any new outlets or is charges, which is likely to discharge sewage or effluent.

The Water (Prevention and Control of Pollution) Cess Act, 1977

Provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981requires that any individual or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. National Ambient Air Quality Standards (**NAAQS**) for major pollutants were notified by the Central Pollution Control Board in April 1994.

The Noise Pollution (Regulation & Control) Rules 2000 ("Noise Regulation Rules")
The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

Hazardous and other Wastes (Management and Trans boundary Movement) Rules, 2016("HW Rules")
The HW Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes through a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and disposal of hazardous waste is required to obtain an authorization from the relevant state PCB for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste. The new HW Rules as compared to the Rules of 2008 have enlarged the scope of regulated wastes by including 'other wastes' in its ambit.Other wastes include: Waste tyre, paper waste, metal scrap, used electronic items, etc. and are recognized as a resource for recycling and reuse. These resources supplement the industrial processes and reduce the load on the virgin resource of the country.

E. TAX LAWS

Income Tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

The Maharashtra State Tax on Professions, Trades Callings and Employments Act 1975

The Maharashtra State Tax On Professions, Trades Callings And Employments Act 1975 provides for the Levy and Collection of a Tax on Professions, Trades, Callings and Employments for the benefit of the State. Every person engaged in any profession, trade, calling or employment and falling under one or the other of the classes mentioned in the second column of Schedule I shall be liable to pay to the State Government the tax at the rate mentioned against the class of such persons in the third column of the said Schedule:. The tax payable under this Act by any person earning a salary or wage, shall be deducted by his employer from the salary or wage payable to such person, before such salary or wage is paid to him, and such employer shall, irrespective of whether such deduction has been made or not, when the salary or wage is paid to such persons, be liable to pay tax on behalf of all such person. As per Section 5 of the Act — every person, liable to pay tax u/s. 4, shall obtain a Certificate of Registration, and, every person, liable to pay tax u/s. 3(2), shall obtain a Certificate of Enrolment from prescribed authority in prescribed manner.

Gujarat State Tax on Profession, Trades, Callings and Employment Act, 1976

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

assessing authority in the prescribed manner. Every person liable to pay tax under this Act (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Goods and Services Tax

The Central Goods and Services Tax Act, 2017received accent of the President on 12th April 2017 and came into force from 1st July 2017. Goods and Service Tax (GST) is an indirect tax levied on the supply of goods and services. This law has replaced many indirect tax laws that previously existed in India such as Service tax, Central Excise Act, Entry Tax, Octroi, Additional customs duty and other draconian indirect taxes. There are 3 taxes applicable under this system- CGST, SGST, IGST.

CGST: is collected by the Central Government on an intra-state sale;
SGST: Collected by the State Government on an intra-state sale;
IGST: Collected by the Central Government for inter-state sale.

Therefore, in addition to the CGST Act, the company has to comply with the requirements of State GST laws as well in which it has operations.

Following laws which have been subsumed in GST Act were applicable to the Company till 30th June 2017 and shall remain applicable here after as stated in the GST Act.

Central Excise Act, 1944 and Excise Regulations

The Central Excise Act, 1944 sought to impose an excise duty on excisable goods which are produced or manufactured in India. Excise duty was levied on production of goods but the Liability of excise duty arose only on removal of goods from the place of storage, i.e., factory or warehouse.

Central Sales Tax Act, 1956

Central Sales Tax ("CST") was levied in accordance with the Central Sales Tax Act, 1956 on movable goods sold in the course of inter-state trade or commerce. CST was payable by a dealer (i.e. a person who carries on the business of buying, selling, supplying or distributing goods) on his sales turnover at the rate prescribed in the VAT statute of the State from where the movement of the goods originate.

State laws governing Entry Tax

Entry Tax provides for the levy and collection of tax on the entry of goods into the local areas of the state for consumption, use or sale therein and matters incidental thereto and connected therewith. It waslevied at such rate as may be specified by the State Government and different rates may be specified for different goods.

Service Tax, (the 'Finance Act, 1994'**)**

Service tax wascharged on taxable services as defined in Chapter V of Finance Act, 1994, which requireda service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government.
There are other indirect taxes which are now subsumed under GST and these are Additional Duties of Excise, Cess, Purchase Tax, Taxes on advertisements.

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).

F. FOREIGN REGULATIONS

The Foreign Trade (Development & Regulation) Act, 1992

The Foreign Trade (Development & Regulation) Act, 1992 [herein after FTA], 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 FTA, 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 authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy inter-alia provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

Foreign Exchange Management Act, 1999 ("the FEMA") and Rules and Regulations thereunder

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA"), read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 ("Export of Goods and Services Regulations 2015") issued by the RBI on January 12, 2016 [last amended on June 23, 2017]. The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

G. Intellectual Property Laws

The Trademarks Act, 1999 ("Trademarks Act")

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

The Patents Act, 1970

The Patents Act, 1970 came into force in the year 1972, amending and consolidating the existing law relating to Patents in India. An invention relating to a product or a process that is new, involving inventive step and capable of industrial application can be patented in India. However, it must not fall into the category of inventions that are non-patentable as provided under sections 3 and 4 of the (Indian) Patents Act, 1970. In India, a patent application can be filed, either alone or jointly, by true and first inventor or his assignee.
The Patents Act, 1970 was again amended by the Patents (Amendment) Act, 2005, wherein product patent was extended to all fields of technology including food, drugs, chemicals and micro-organisms. After the amendment, the provisions relating to Exclusive Marketing Rights (EMRs) have been repealed, and a provision for enabling grant of compulsory license has been introduced. The provisions relating to pre-grant and post-grant opposition have been also introduced.

HISTORY AND CERTAIN CORPORATE MATTERS

BRIEF HISTORY AND BACKGROUND

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 in the name and style of "M/s. Krishna Industries", pursuant to a deed of partnership entered between Mr.AnkurAshwin Shah, Mrs.PallaviAshwin Shah and Mr.BhadreshSanatkumarJoshi in 1997. Later the partnership firm was dissolved by mutual consent of the partners w.e.f March 31, 2002 vide dissolution deed dated April 01, 2002 and the business of M/s. Krishna Industries was taken over by Mr.AnkurAshwin Shah as a Proprietor.Thereafter a deed of partnership dated April 05, 2011 was formed between Mr.AnkurAshwin Shah, Late Mr.AshwinNatwarlal Shah, Mr.DilipNatwarlalShah,Mr.KiranBrijmohandas Shah, Mr.ChetanKuberdasDharia, M/S Krish Commodities (India) Private Limited and M/S Krish Industries Private Limited to admit as partners in the proprietorship business running in the name and style of "Krishna Industries"w.e.f April 01, 2011. Later the partnership firm was registered under the Indian Partnership Act 1932 with Registrar of Firms, Mumbai vide Registration certificate dated January 05, 2013.Further "M/s Krishna Industries" was converted from partnership firm to a Private Limited Company under Part IX of Companies Act, 1956 in the name of "Krishna Allied Industries Private Limited" vide Certificate of Incorporation dated September 10, 2013, bearing registration No. 248021 issued by Registrar of Companies, Maharashtra, Mumbai and CIN No. U74900MH2013PTC248021. Subsequently our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on September 27, 2021 and the name of our Company was changed from "Krishna Allied Industries Private Limited" to "Krishna Allied Industries Limited" vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited companydated October 20, 2021by the Registrar of Companies, Mumbaibearing Corporate Identification Number U74900MH2013PLC248021.Therafter the name of the Company was changed from "Krishna Allied Industries Limited" to "Krishna Defence and Allied Industries Limited" pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on November 01, 2021 and consequent to name change a fresh Certificate of Incorporationwas granted to our Company on December 07, 2021 by the Registrar of Companies, Mumbai.

Mr.AnkurAshwin Shah, Late Mr.AshwinNatwarlal Shah, Mr.DilipNatwarlalShah,Mr.KiranBrijmohandas Shah, Mr.ChetanKuberdas Dharia, M/s Krish Commodities (India) Private Limited and M/s Krish Industries Private Limitedwere the initial subscribers to the Memorandum of Association of our Company.

For information on our Company's profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major clients, please refer the sections titled ***"OurBusiness", "Industry Overview", "Our Management", "Financial information of the Company" and "Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 118, 103, 154, 174 and 241 respectively of this Red Herring Prospectus.

ADDRESS

Registered Office	344, Floor-3, Plot-267, A To Z Industrial Estate, Ganapatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai – 400013, Maharashtra, India
Regional Office	2nd floor office no·207·208 Atlantis Heritage,Vadivadi Road, Sarabhai campus, Vadodara, Dist: Baroda·390023
Factory-1	Plot No. 121/8/9/20/21/22/23-24, GIDC Estate, Kalol, Panchmahals, Gujarat, 389330
Factory-2	Plot No: 503/A, GIDC Estate, Halol - 389350

CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

Except as stated below, there has not been any change in our Registered Office since inception of the Company till the date of the Red Herring Prospectus.

Effective Date	From	To	Reason for Change
October 01, 2019	Flat/Plot No. 25/A, Ground Floor, Chandawadi, C P Tank, Girgaon,Mumbai - 400004, Maharashtra, India	344, Floor-3, Plot-267, A To Z Industrial Estate, Ganapatrao Kadam Marg, Lower Parel, Delisle Road, Mumbai, Maharashtra, India 400013	For Operational reasons

OUR MAIN OBJECTS

The main objects of our Company, as set forth in our Memorandum of Association, of our company are as follows:\

1.To carry on the business of designing developing, engineering, manufacturing, integrating, testing, commissioning, validating, fabricating, erecting, installing,remodeling, delivering, assembling, repairing, refurbishing, upgrading, overhauling,hiring, supporting, distributing, marketing, buying, selling, importing, exporting andtrading in all types Steel including Special Steel, Precision Components, Sub-Systems &Systems, machines used in Defence and Dairy sector includingcommissioning systems and projects including turn-key projects, special purposeproject, comprising of Mechanical, Thermal, Electrical, Electronic, Software, PowerElectronic parts required for Defence, Aerospace, Homeland-Security & Dairy andallied industry, by contact or non-contact method, with in-house or out-sourcedfacilities.

2. To carry on in or outside India business as importers, exporters, marketers, distributors,wholesalers, retailers, traders, merchants, buyers, sellers, suppliers, manufacturers,indenters, packers, movers, promoters, advertisers, distributors, marketers, preservers,agents, sub-agents, representatives, commissions agents, brokers, and dealers of all typesofDefence Equipment, Home-Land Security, Dairy Equipment, Farm equipment, KitchenEquipment using stainless steel, alloys, aluminum, brass or any other metals, all products bewhether in raw material, semi- finished or finished products and to carry on heat treatment ofthe metals, fabrication of stainless steel, rolling of steel and alloys steel section and do allsuch activities which are ancillary to the above mentioned products and activities.

3. To perform trade of special metals and alloys and manufacture them using specialmetals like Titanium, Molybdenum, Copper, Aluminum Bronze, Miraging Steel, HSSteel etc. perform complete project management from design to commissioning forvarious project requirements of the customer.

CHANGES IN MEMORANDUM OF ASSOCIATION

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Amendments
March 11, 2014	EGM	Increase in authorized share capital from Rs. 10,00,000 (Ten Lakhs) divided into 1,00,000 (One Lakh) Equity shares of Rs. 10 each to Rs. 1,00,00,000 (OneCrore) divided into 10,00,000 (Ten Lakhs) Equity shares of Rs. 10 each
March 28, 2014	EGM	Increase in authorized share capital from Rs. 1,00,00,000 (OneCrore) divided into 10,00,000 (Ten Lakhs) Equity shares of Rs. 10 each to Rs. 3,20,00,000 (ThreeCrore Twenty Lakhs) divided into 32,00,000 (Thirty-Two Lakhs) Equity shares of Rs. 10 each
February 28, 2015	EGM	Increase in authorized share capital from Rs. 3,20,00,000 (ThreeCrore Twenty Lakhs) divided into 32,00,000 (Thirty-Two Lakhs) Equity shares of Rs. 10 each to Rs. 6,00,00,000 (Six Crore) divided into 60,00,000 (Sixty Lakhs) Equity shares of Rs. 10 each
September 02, 2021	EGM	Increase in authorized share capital from Rs. 6,00,00,000 (SixCrore) divided into 60,00,000 (Sixty Lakhs) Equity shares of Rs. 10 each to Rs. 12,00,00,000 (TwelveCrore) divided into 1,20,00,000 (One Crore Twenty Lakhs) Equity shares of Rs. 10 each

September 27, 2021	EGM	Conversion of our Company from Private Limited to Public Limited Company. Consequently name of the Company has been changed from Krishna Allied Industries Private Limited to Krishna Allied Industries Limited and a fresh Certificate of Incorporation dated October 20, 2021bearing CIN U74900MH2013PLC248021was issued by Registrar of Companies, Mumbai.
September 27, 2021	EGM	To Adopt New Set Of Memorandum Of Association containing regulation in conformity with the Companies Act, 2013
November 01, 2021	EGM	Name of the Company was changed from "Krishna Allied Industries Limited" to "Krishna Defence and Allied Industries Limited" pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on November 01, 2021
November 01, 2021	EGM	Alteration of the Objects Clause of the Memorandum of Association ("MOA") of the Company.

ADOPTING NEW ARTICLES OF ASSOCIATION OF THE COMPANY AND ALTERATION THEREOF

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013 in the Extra-Ordinary General Meeting of the Company dated September 27, 2021. Further the Articles of Association of the Company were altered vide special resolution dated November 01, 2021 passed by members of the company at their Extra-Ordinary General Meeting of the Company held on November 01, 2021 pursuant to the fact that the name of the company was changed from "Krishna Allied Industries Limited" to "Krishna Defence and Allied Industries Limited".

KEY EVENTS AND MILESTONES

The Table below sets forth some of the major events in the history of our company:

Year	Key Events / Milestone / Achievements
1997	Started Dairy Equipment manufacturing business in partnership firm in the name and style of M/s Krishna Industries
2002	Partnership deed dissolved w.e.f March 31, 2002 and the business M/s. Krishna Industries was taken over by Mr. AnkurAshwin Shah as a Proprietor.
2006	Registered as an approved vendor for supply of Shipbuilding Steel Sections (Bulb Bars) with Defence Metallurgical Research Laboratory (DMRL),Hyderabad
2008	Appreciation Certificate received from DMRL, Hyderabad for successfully carrying out the Project of manufacturing of indigenized steel Bulb Bars used in hull construction of Naval warships. The project was of National Importance involving import substitution.
2008	Signed Transfer of Technology Agreement with Defence Materials & Stores Research & Development Establishment, (DMSRDE) Kanpur for manufacture and sale of Food Container Plastic 5.5 Ltr to be used by Indian Armed forces at High Altitudes
2010	We ventured into manufacturing of Kitchen Equipments for Midday Meal Program & Other projects
2011	Deed of partnership dated Apr 05, 2011 was formed to takeover the running proprietorship business in the name and style of "M/s Krishna Industries" w.e.f April 01, 2011.
2011	Accepted as approved vendor by Indian Navy, included in Naval Contractual Directives for supply of shipbuilding steel sections, Bulb Bars for Warships
2013	Converted from a partnership firm to a Private Limited Company under Part IX of Companies Act, 1956 in the name of "Krishna Allied Industries Private Limited" w.e.f. September 10, 2013
2014	Awarded Defence Technology Absorption Award, 2013 on August 20, 2014 along with Prize Money of Rs. 5Lacs from Ministry of Defence (MoD) by the Honourable Prime Minister, ShriNarendraModi for our pioneering efforts towards first time indigenous production of "Bulb Bars" in association with DRDO for meeting the requirements of Indian Navy.

Year	Key Events / Milestone / Achievements
2015	Patent registered by our company for invention of Automated Milk Analysis and Collection Apparatus called Robotic Milk Collection Unit for a term of 20 years
2017	Accepted as approved vendor for manufacture of steel bulb bars by the Indian Register of Shipping (IRS)
2017	Received certificate of Steel Mills from American Bureau of Shipping for Facility and Process Approval for manufacturing section components of marine applications.
2018	Awarded INDIA SME 100 Awards organized by India SME Forum and supported by Ministry of MSME in the overall evaluation of Financial & Non-Financial Parameters.
2019	Signed TOT with Defence Institute of Pysiology and Allied Sciences, DIPAS, New Delhi for manufacture and sale of Improved Space Heating Device (Bukhari) used by Indian Armed forces at high altitude in very Cold conditions
2019	Signed TOT with DIPAS, New Delhi for manufacture and sale of Man Mounted Cooling System to be used by Indian Armed forces in extremely Hot Conditions
2019	Signed TOT with DIPAS, Delhi for manufacture and sale of Solar Snow Melter to be used by Indian Armed forces at high altitude.
2019	Received Developmental Order for supply and manufacture of specialized Weld consumable for critical application of the Indian Navy
2020	Company ventured in a new business vertical of Homeland & Security Products.
2021	Signed TOT with Research &Development Establishment Engineers, Pune for manufacture and sale of Improvised Explosive Device (IED) Containment Vessel to be used by Indian Armed forces for protection
2021	Successfully developed and delivered Steel Ballast Bricks used for critical application of Indian Navy for weight balancing.
2021	Conversion of Company from Private Limited to Limited Company i.e. "Krishna Allied Industries Ltd." w.e.fOctober20, 2021
2021	Change of Company name to "Krishna Defence and Allied Industries Ltd" w.e.f December 07, 2021.

OTHER DETAILS ABOUT OUR COMPANY

For details of our Company's activities, growth, marketing strategy, competition and our customers, please refer section titled ***"Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price"***onpages 118, 241 and 96 respectively of this Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled ***"Our Management"*** and ***"Capital Structure"***beginning on page 154 and 71 of the Red Herring Prospectus respectively.

CAPITAL RAISING (DEBT / EQUITY)

For details in relation to our capital raising activities through equity, please refer to the chapter titled "***Capital Structure"*** beginning on page 71 of the Red Herring Prospectus.

For a description of our Company's debt facilities, see "***Statement of Financial Indebtedness***" on page 231 of the Red Herring Prospectus.

CHANGES IN ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE (5) YEARS

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Red Herring Prospectus. Additionally our Company has ventured in a new business vertical of manufacturing Homeland & Security Products and has entered into agreements with foreign vendors for import of critical component required to manufacture/assemble these products in our factory.

HOLDING COMPANY

As on the date of the Red Herring Prospectus, our Company is not a subsidiary of any company.

SUBSIDIARY OF OUR COMPANY

Our Company does not have any Subsidiary within the meaning of Section 2 (87) of the Companies Act 2013, as on the date of this Red Herring Prospectus.

ASSOCIATE COMPANY

As on the date of this Red Herring Prospectus, our Company does not have any Associate Company.

INJUNCTION OR RESTRAINING ORDER

There are no injunctions/restraining orders that have been passed against the Company.

DETAILS REGARDING ACQUISITION OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, REVALUATION OF ASSETS ETC.

Our Company filed a scheme of amalgamation under Section 233 of the Companies Act, 2013 dated April 01, 2017 before the National Company Law Tribunal ("NCLT") at Mumbai for amalgamation of our Group Companies i.e. Krish Industries Private Limited and Krish Commodities (India) Private Limited (**The "Transferor Companies**") into Krishna Allied Industries Private Limited (**The "Transferee Company**"). With effect from March 09, 2018, Company Scheme Application being CSA No. 992/2017 came up for hearing and on the basis of hearing further steps were ordered by Tribunal to be taken in the amalgamation procedure. However the order passed pursuant to the hearing held on 9th March 2018 was not issued and a considerable time lapsed in tracing the records with the Registry. Therefore due to unavailability of order and pursuant to demise of one of the directors of Bidder Company, Late Mr. Ashwin Shah on 6thNovember 2019 and due to several material changes in the company (in terms of financials and composition of members), our company decided to withdraw the petition on March 10, 2021 and consequently the Hon'ble Tribunal issued an order for withdrawal of the said petition on June 28, 2021.

NUMBER OF SHAREHOLDERS OF OUR COMPANY:

Our Company has Seven (7) equity shareholders as on the date of this Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled ***"Capital Structure"*** beginning on page 71 of the Red Herring Prospectus.

CHANGES IN THE MANAGEMENT

For details of change in Management, please see chapter titled ***"Our Management"*** on page 154 of the Red Herring Prospectus.

SHAREHOLDERS AGREEMENTS

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Red Herring Prospectus.

COLLABORATION AGREEMENTS

As on date of this Red Herring Prospectus, Our Company is not a party to any collaboration agreements.

MATERIAL AGREEMENT

Our Company has not entered into any material agreement, other than the agreements entered into by it in normal course of its business.

STRATEGIC OR FINACIAL PARTNERS

Our Company does not have any strategic or financial partners as on the date of this Red Herring Prospectus.

TIME AND COST OVERRUNS

There has been no time / cost overruns by our Company.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

There have been no defaults that have been called by any financial institution or bank in relation to borrowings availed by our Company from any financial institutions or banks. However, in response to the COVID-19 pandemic, the RBI allowed banks and lending institutions to offer moratoriums to their customers to defer payments under loan agreements between March 01, 2020 to August 31, 2020. Pursuant to such measures, Our Company availed a moratorium of Rs 90.36 lakhs from the month of March 2020 to July 2020. For further details, please refer section titled ***"Risk Factors"*** on page 29

OTHER AGREEMENTS

NON COMPETE AGREEMENT

Our Company has not entered into any Non- compete Agreement as on the date of filing of this Red Herring Prospectus.

JOINT VENTURE AGREEMENT

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Red Herring Prospectus:

Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN	Date & term of Appointment	No. of Equity Shares held & % of Shareholding (Pre-Issue)	Other Directorships
Mr.AnkurAshwin Shah **Father Name**: Late Mr.Ashwin Shah **Age:** 43 Years **Designation:**Managing Director **Address:** C/O, Flat No 3301, 33rd Floor, A Wing, Omkar 1973, PandurangBudhkarMarg, Worli, Mumbai, Mumbai City, Maharashtra - 400030 **Experience:** 22 years **Occupation:** Business **Qualifications:** Bachelor of Engineering (Production) **Nationality:** Indian **DIN:** 01166537	Originally appointed on the Board w.e.f. September 10, 2013 Further Designated as Managing Director w.e.f April 01, 2015 in Board Meeting dated March 25, 2015 and reappointed as Managing Director w.e.f April 01, 2016 in the Board Meeting dated May 07, 2016 for the period of 5 years Further Re-appointment as Managing Director w.e.f April 01, 2021 for the period of 5 years *(Not liable to retire by rotation)*	52,53,890 Equity Shares [62.55%]	**Companies:** 1. Krish Industries Private Limited 2. Krish Commodities (India) Private Limited 3. Vystra Systems Private Limited
Mr. Sandeep Ramrao Kadam **Father Name**: Mr. Ramrao Krishnarao Kadam **Age:** 47 Years **Designation:** Whole Time Director **Address:** Pradhyapak Coloni, Shirala, Sangli, Maharashtra-415408 **Experience:**25years **Occupation:** Business **Qualifications:** Bachelor of Engineering(in Mechanical) **Nationality:** Indian **DIN:** 06841164	Originally appointed as Whole-timeDirectorw.e.f. March 11, 2014 Further Re-appointed as Whole Time Directorw.e.f March 10, 2019 for the period of 5 years *(liable to retire by rotation)*	Nil	**LLP:** 1. White Gold Technologies LLP

Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN	**Date & term of Appointment**	**No. of Equity Shares held & % of Shareholding (Pre-Issue)**	**Other Directorships**
Mr.Suvendu Banerjee **Father Name**: Mr.Monotosh Banerjee **Age:**48 Years **Designation:** Whole-time Director **Address:** C/o, B-401, Shravan Green, SamaSavli Road, Behind SiddharthBunglows, Vadodara, Gujarat-390022 **Experience:** 25 years **Occupation:** Business **Qualifications:**Bachelorof Science **Nationality:** Indian **DIN:** 06841783	Originally appointed as Whole-timeDirectorw.e.f. March 11, 2014 Further Re-appointed as Whole Time Director w.e.f March 10, 2019 or the period of 5 years *(liable to retire by rotation)*	Nil	**LLP:** 1. White Gold Technologies LLP
Mrs.PreyalAnkur Shah **Father Name**: Mr.ChetankumarKuberdasDharia **Age:**40 Years **Designation:** Non Executive Director & Chairperson **Address:** C/O, Flat No 3301, 33rd Floor, A Wing, Omkar 1973, PandurangBudhkarMarg, Worli, Mumbai, Mumbai City, Maharashtra – 400030 **Experience:**15 years **Occupation:** Business **Qualifications:** Bachelor of Commerce **Nationality:** Indian **DIN:** 06966962	Appointed as Non-Executive Director w.e.f October 17, 2014 Resigned w.e.f. December 14, 2021 Further appointed as Additional Non Executive Director & Chairperson w.e.f. January 11, 2022 Further, regularized as Non Executive Director w.e.f. March 14, 2022	84,000 Equity Shares [1.00%]	**Companies:** 1. KrishIndustriesPrivate Limited 2. Krish Commodities (India) Private Limited **LLP:** 1. White Gold Technologies LLP
Mr. Divyakant Ramniklal Zaveri **Father Name**: Mr. Ramniklal Mohanlal Zaveri **Age:**73 Years **Designation:**Independent Director **Address:** 101, Nyota Flats, 6 Countryside Estate,Gotri,Vadodara, Gujarat-390021 **Experience:** 45 years	Originally Appointed as Additional Independent Director w.e.f. August 23, 2021 Further, regularized as Independent Director w.e.f. September 02, 2021 *(Not liable to retire by rotation)*	Nil	**Companies:** 1. Saptarishi Agro Industries Limited 2. Gujarat Containers Limited 3. Mercury Laboratories Limited 4. Shroffs Engineering Private Limited

Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN	Date & term of Appointment	No. of Equity Shares held & % of Shareholding (Pre-Issue)	Other Directorships
Occupation: Professional **Qualifications:**Chartered Accountant **Nationality:** Indian **DIN:** 01382184			
Mr. Jay kumar Toshniwal **Father Name**: Mr. Shankerlal Toshniwal **Age:**58 Years **Designation:**Independent Director **Address:** 66 A-1, Apartment, 270 Walkeshwar Road, Near Raj Bhavan, Malabar Hill, Mumbai, Maharashtra, India-400006 **Experience:**35 Years **Occupation:** Professional **Qualifications:**Chartered Accountant **Nationality:** Indian **DIN:** 00609542	Originally Appointed as Additional Independent Director w.e.f. August 23, 2021 Further, regularized as Independent Director w.e.f. September 02, 2021 *(Not liable to retire by rotation)*	Nil	**Companies:** 1. Mohit Realty Private Limited 2. Toshniwal Commodities Services Private Limited 3. Toshniwal Equity Services Private Limited

Brief Profile of Directors:

Mr. Ankur Ashwin Shah,is the Managing Director of our company. He holds a degree of Bachelor of Engineering (Production) from University of Bombay. He was originally appointed on the board as first director on incorporation dated September 10, 2013. He was designated as Managing Director w.e.f April 01, 2015 for the period of 5 years and further re-designated as Managing Director for a term of 5 years w.e.f. April 01, 2021. He has an overall experience of 22years in all kinds of Steel working including Smelting, Rolling, Drawing, Heat Treatment etc. He is currently involved in managing the overall business operations of the Company. Under his leadership, our Company has been successful in expanding its diversified product portfolio and customer base

Mr. Sandeep Ramrao Kadam,is the Whole-time Director of our Company. He has completed hisBachelor of Engineering(Mechanical) from North Maharashtra University, Jalgaon in the year 1997.He was appointed on the Board on March 11, 2014 and further re-designated as Whole Time Director of the Company w.e.f. March 10, 2019 for a period of 5 years. He has an experience of around 25 years in the field ofProject Management / Industrial & Product Engineering. He is currently involved in the manufacturing and engineering operations of the Company.

Mr.SuvenduBanerjee,is the Whole-time Director of our Company. He has completed hisBachelor of Science from Vidyasagar University in the year 1994.He was appointed on the Board on March 11, 2014 and further re-designated as Whole Time Director of the Company w.e.f. March 10, 2019 for a period of 5 years. He has an experience of around 15years as a Project Manager in High Tech Consultants – A Faculty Entreprenuer Firm, STEP- I.I.T.-Kharagpur and 10 years of experience in Krishna Defense and Allied Industries Limited as HOD – Electrical & Electronics. He is currently involved in manufacturing operations of the company.

Mrs. Preyal Ankur Shah,is the Non Executive Director & Chairperson of our Company. She has completed herBachelor of Commerce from University of Mumbaiin the year 2002. She has an experience of around 15years in

the field of fashion designing and interpersonal skills. She currently assists our Company in administration related Activities.

Mr. Divyakant Ramniklal Zaveri is the Independent Director of our Company. He is a Commerce Graduate and a practicing Chartered Accountant and possesses intense and varied experience in the field of Accounts, Finance, Taxation and Corporate Management for more than three decades. He was appointed as Independent Director vide EGM held on September 02, 2021.

Mr.JaykumarToshniwalis the Independent Director of our Company. He is a Master of Commerce, aChartered Accountantand also possesses a Post Graduate Degree in Management from IIM, Ahmedabad. He is active in Indian capital markets since 35 years. He possesses rich experience in finance and capital markets. He was appointed as Independent Director vide EGM held on September 02, 2021.

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.

Family relationship between our Directors

Sr No	Name of Director	Nature of Relationship
1.	Mr.AnkurAshwin Shah, Managing Director	Husband of Mrs.PreyalAnkur Shah
2.	Mrs. Preyal Ankur Shah, Non-Executive Director & Chairperson	Wife of Mr. Ankur Ashwin Shah

Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors

Our Company has passed a special resolution in the Extra-Ordinary General Meeting of the members held on September 02, 2021 authorizing the Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of 100.00 Crores(Rupees One Hundred Crores only).

Compensation of our Managing Director & Whole-time Directors

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act,2013

and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director & Whole time Directors

Particulars	Mr.AnkurAshwin Shah	Mr. Sandeep Ramrao Kadam	Mr.Suvendu Banerjee
Appointment/Change in Designation	Appointed as Director since incorporation. Designated as Managing Director w.e.f April 01, 2015 for the period of 5 years. Re-designated as Managing Director w.e.f. April 01, 2021	Appointed as Whole-time Director w.e.f. March 11, 2014. Re-designated as Whole Time Director w.e.fMarch10, 2019	Appointed as Whole-time Director w.e.f. March 11, 2014. Re-designated as Whole Time Director w.e.f March 10, 2019
Current Designation	Managing Director	Whole-time Director	Whole-time Director
Term of Appointment	5 years Not Liable to Retire by rotation	5 years Liable to Retire by rotation	5 years Liable to Retire by rotation
Remuneration & Perquisites	UptoRs. 120.00 Lakhs per annum	UptoRs. 60 Lakhs per annum	UptoRs. 60 Lakhs per annum
Compensation paid in the FY 2020-21	Rs. 120.00 lakhs per annum	Rs. 12.46 lakhs per annum	Rs. 11.28 lakhs per annum

Bonus or Profit-Sharing Plan for our Directors

We have no bonus or profit-sharing plan for our Directors.

Sitting Fees

The Articles of Association of our Company provides for payment of sitting fees to Directors (other than Managing Director & Whole-time Directors), not exceeding Rs. 1.00 Lac to be fixed by Directors from time to time, for attending a meeting of the Board or a Committee thereof. Our Board of Directors have resolved in their meeting dated October 28, 2021 for payment of an amount within the limits permitted under Companies Act, 2013 as approved by the Board to all Non-Executive Directors for attending each such meeting of the Board or Committee thereof.

Shareholding of our Directors as on the date of this Red Herring Prospectus: -

Sr. No.	Name of the Directors	No. of Shares Held	Holding in %
1.	Mr.Ankur Ashwin Shah	52,53,890	62.55%
2.	Mrs. Preyal Ankur Shah	84,000	1.00%

None of the Independent Directors of the Company hold any Equity Shares of Company as on the date of this Red Herring Prospectus.

As on date, we do not have any other Subsidiary Company as defined under Section 2(6) of the Companies Act, 2013.
Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

Our Directors are interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles. For further details, see- ***"Compensation of our Managing Director and Whole time Directors"*** beginning on Chapter titled ***"Our Management"*** page 157 of this Red Herring

Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them or received by them to/from our Company and for the Personal Guarantee given by Directors towards financing facilities availed by our Company. For details please refer to ***"Statement of Financial Indebtedness"***on page 231 of this Red Herring Prospectus.Further for details of the related party transactions please refer to the ***"Note 29B"*** of ***"Financial Information of the Company"*** on page 213 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Interest in the property of Our Company

Sr. No.	Director	Interest
1.	Mr.AnkurAshwin Shah	Our Company has entered into Leave and License Agreement between Krish Industries Private Limited, where our Director is Director and substantial shareholder and Krishna Allied Industries Private Limited Dated October 25, 2021, for the period of 5 Years starting from01.10.2021 to 30.09.2026 for lease rent of Rs 2,40,000/- per month for its manufacturing unit at Halol.For further details of property please refer to Chapter titled ***"Our Business"*** beginning on page 118

Changes in Board of Directors in Last 3 Years

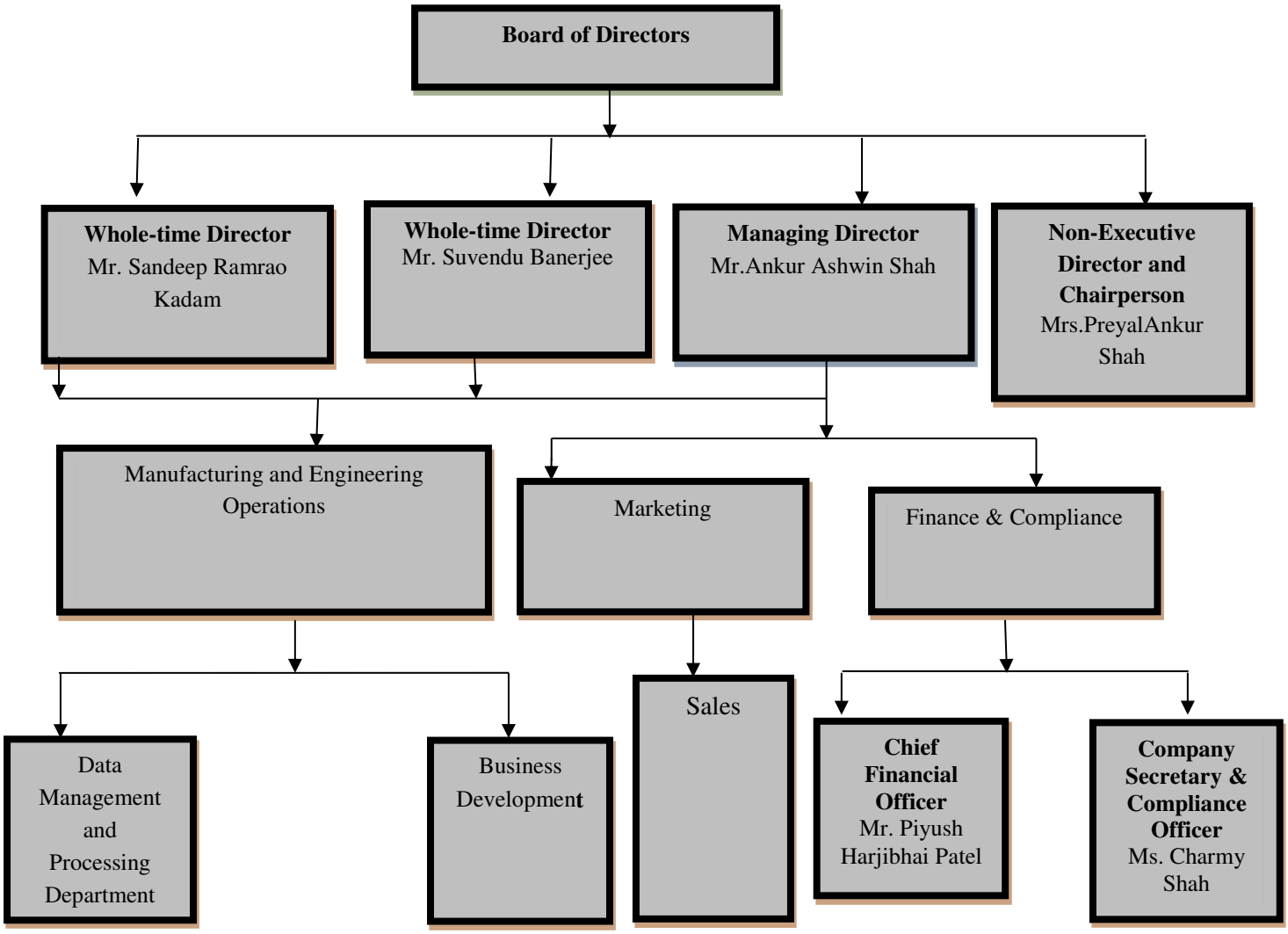
Except as mentioned hereunder, there is no change in Board of Directors of the Company in last 3 years: -

Sr. No.	Name	Date of Appointment / Re - Appointment	Reasons for Change
1.	Mr. Sandeep Ramrao Kadam	Re-appointed as Whole time Director w.e.f March 10, 2019	To ensure better Corporate Governance and compliance with Companies Act, 2013
2.	Mr.Suvendu Banerjee	Re-appointed as Whole time Director w.e.f March 10, 2019	To ensure better Corporate Governance and compliance with Companies Act, 2013
3.	Mr.AshwinNatwarlal Shah	Cessation from the Post of Whole-time Director w.e.f. November 06, 2019	Due to Demise.
4.	Mrs.PallaviAshwin Shah	Cessation from the Post of Director w.e.f. January30, 2020	Due to Personal Reason
5.	Mr.AnkurAshwin Shah	Re-appointed as Managing Director w.e.f April 01, 2021	To ensure better Corporate Governance and compliance with Companies Act, 2013
6.	Mr.Vasant Vishnu Modak	Cessation from the Post of Whole-time Director w.e.f. August 23, 2021	Due to Personal Reason
7.	Mr.DivyakantRamniklalZaveri	Appointed as Additional Independent Director w.e.f. August 23, 2021	To ensure better Corporate Governance and compliance with Companies Act, 2013
		Regularized as Independent Director w.e.f. September 02, 2021.	

8.	Mr.JaykumarToshniwal	Appointed as Additional Independent Director w.e.f. August 23, 2021	To ensure better Corporate Governance and compliance with Companies Act, 2013
		Regularized as Independent Director w.e.f. September 02, 2021.	
9.	Mrs. Preyal Ankur Shah	Resigned from the Directorship w.e.f. December 14, 2021	Due to Personal Reason
		Appointed as Additional Non-Executive Director & Chairperson w.e.f. January 11, 2022	Due to Operational Efficiency
		Regularized as Non Executive Director w.e.f. March 14, 2022	To ensure better Corporate Governance and compliance with Companies Act, 2013

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:



COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2018 will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the NSE Emerge. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees, as applicable on us, have been complied with.
Our Board has been constituted in compliance with the Companies Act and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Six (6) directors of which two (2) are Independent Directors, and we have one women director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

1. Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated October28, 2021 as per the applicable provisions of the Section 177 of the Companies Act, 2013. The constituted Audit Committee comprises following members:

Name of the Directors	Status in Committee	Nature of Directorship
Mr.DivyakantRamniklalZaveri	Chairman	Independent Director
Mr.JaykumarToshniwal	Member	Independent Director
Mr.Ankur Ashwin Shah	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee: The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.

C. Role and Powers: The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;

- matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole-time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

a) Management discussion and analysis of financial condition and results of operations;
b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
d) Internal audit reports relating to internal control weaknesses; and
e) The appointment, removal and terms of remuneration of the chief internal auditor
f) Statement of deviations:
   - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated October 28, 2021. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Directors	Status in Committee	Nature of Directorship
Mr.JaykumarToshniwal	Chairman	Independent Director
Mr.Divyakant Ramniklal Zaveri	Member	Independent Director
Mr. Sandeep Ramrao Kadam	Member	Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

A. Tenure: The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

B. Meetings: The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

C. Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated January 11, 2022. The Nomination and Remuneration Committee comprise the following:

Name of the Directors	Status in Committee	Nature of Directorship
Mr.JaykumarToshniwal	Chairman	Independent Director
Mr.DivyakantRamniklalZaveri	Member	Independent Director
Mrs.Preyal Ankur Shah	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings: The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.; and
- To formulate and administer the Employee Stock Option Scheme.

4. Corporate Social Responsibility Committee

Our Company has re-constitute the Corporate Social Responsibility Committee as per the applicable provisions of the Section 135 and Schedule VII of the Companies Act, 2013 vide Resolution dated October 28, 2021. The Corporate Social Responsibility Committee comprise the following:

Name of the Directors	Status in Committee	Nature of Directorship
Mr.Ankur Ashwin Shah	Chairman	Managing Director
Mr.Divyakant Ramniklal Zaveri	Member	Independent Director
Mr.Suvendu Banerjee	Member	Whole time Director
Mr. Sandeep Ramrao Kadam	Member	Whole time Director

The Corporate Social Responsibility Committee of the Board of Directors so formed to undertake the below mentioned tasks: -

- To recommend the policy on Corporate Social Responsibility (CSR) and Implementation of the CSR Projects or program to beundertaken by the company as per the CSR Policy for consideration and approval by the Board of Directors.
- Recommend the amount of expenditure to be incurred on the corporate social responsibility activities; and
- Monitor the implementation of the Company's corporate social responsibility policy

KEY MANAGERIAL PERSONNEL

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Age (Yrs)	Date of joining (current designation)	Compensation paid for F.Y. 20-21 (in RsLacs)	Overall experience (in yrs)	Previous employment
Name: Mr.AnkurAshwin Shah **Designation:** Managing Director **Qualification:**Bachelor of Engineering	43	September 10, 2013	120.00	22	Godrej & Boyce Co. Limited
Name: Mr. Sandeep Ramrao Kadam **Designation:** Whole time Director **Qualification:**B.E. (Mechanical)	47	March 11, 2014	12.46	25	Filtron Limited
Name: Mr. Suvendu Banerjee **Designation:** Whole time Director **Qualification:**Bachelor of Science	48	March 11, 2014	11.28	25	HighTech Consultants – A Faculty Entreprenuer Firm, STEP, Indian Institute of Technology, Kharagpur
Name: Ms. Charmy Shah **Designation:** Company Secretary & Compliance Officer **Qualification**: Company Secretary	24	Appointed w.e.fOctober22, 2021	Nil	1	Global Gourmet Private Limited
Name: Mr.PiyushHarjibhaiPatel **Designation:** Chief Financial Officer **Qualification: B. Sc,** CWA, Diploma in Taxation Laws.	47	Redesignated w.e.f. August 23, 2021	9.57	20	Osaka Pharmaceuticals Private Limited

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Mr.AnkurAshwin Shah- Please refer to section ***"Brief Profile of our Directors"*** beginning on page 156 of this Red Herring Prospectus for details.

Mr.Sandeep Ramrao Kadam - Please refer to section ***"Brief Profile of our Directors"*** beginning on page 156 of this Red Herring Prospectus for details

Mr.Suvendu Banerjee-Please refer to section ***"Brief Profile of our Directors"*** beginning on page 156 of this Red Herring Prospectus for details

Ms. Charmy Shah is Company Secretary and Compliance officer of our Company. She was appointed w.e.f October 22, 2021. She holds Bachelor's Degree in commerce from The Maharaja Sayajirao University of Baroda. She has also completed Bachelors in law from the said university in the year 2020. She is an Associate member of of the Institute of Company Secretaries of India with membership number ACS 63905.She is also a Certified CSR Professional. She is responsible for corporate secretarial and compliance work of our company. Prior to joining us she has completed her internship from Panasonic Energy India Company limited and was appointed as a Company Secretary in Global Gourmet Private Limited. She has an overall experience of around one year.

Mr. PiyushHarjibhai Patel is Chief Financial Officer of our Company. He holds a degree of Bachelor of Science from The Maharaja Sayajirao University of Baroda. He has cleared CWA from Institute of Costand Works Accountants of India and has also attained Diploma in Taxation Laws. He has an overall experience of 20 years in the field offinance, accounts and costing. He had originally joined our Company as Account and Finance Manager and has been promoted as Chief Financial Officer in our Company w.e.f. August 23, 2021. He looks after all the accounts and finance activities of our Company.

We confirm that:

a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
c. None of our KMPs except Mr. Ankur Ashwin Shah, Mr. Sandeep Ramrao Kadam and Mr.Suvendu Banerjeeis a part of the Board of Directors.
d. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the stub period ended on September 30, 2021.
e. Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
f. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
g. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Red Herring Prospectus except as under: -

Sr. No.	Name of the KMP	No. of Shares held
1	Mr. Ankur Ashwin Shah	52,53,890

h. Presently, we do not have ESOP/ESPS scheme for our employees.
i. The turnover of KMPs is not high, compared to the Industry to which our company belongs.

Payment of benefits to officers of Our Company (*non-salary related*)

Except as disclosed in this Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance

Changes in the Key Managerial Personnel in last three years:

There has been nochanges in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

Sr. No.	Name	Designation and period	Appointment/ Cessation/Re-designation	Reasons
1.	Mr. Ankur Ashwin Shah	Managing Director (w.e.f. April 01, 2021)	Re-designation	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
2.	Mr. Sandeep Ramrao Kadam	Whole-time Director (w.e.f. March 10, 2019)	Re-designation	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
3.	Mr.Suvendu Banerjee	Whole-time Director (w.e.f. March 10, 2019)	Re-designation	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
4.	Mr.Piyush Harjibhai Patel	Chief Financial Officer (w.e.f. August 23, 2021)	Appointment	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
5.	Ms. Charmy Shah	Company Secretary (w.e.f. October 22, 2021)	Appointment	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance

Interest of Our Key Managerial Persons

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Companyandforthe Personal Guarantee given towards financing facilities availed by our Company, none of our key managerial personal are interested in our Company. Further for details of the related party transactions please refer to the ***"Note 29B"*** of ***"Financial Information of the Company"*** on page 213 of this Red Herring Prospectus.

Nature of any family relationship between our Directors and Key Managerial Personnel (KMP)

There is no relationship between our Directors and Key Managerial Personnel (KMP)

Interest in the property of our Company

Except as mentioned in the Chapter titled ***"Our Management"*** in the section ***"Interest of our Directors- Interest in the properties of our Company"*** on page 158 of this Red Herring Prospectus, our KMPs do not have any other interest in any property acquired by our Company in a period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of filing the Red Herring Prospectus with RoC.

Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

Loans given/availed by Directors / Key Managerial Personnel of Our Company

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to ***"Note 29B – Restated Statement of Related Party Transactions"*** page 213 of this Red Herring Prospectus.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for our employees.

OUR PROMOTER & PROMOTER GROUP

Our Promoter:

Mr. AnkurAshwin Shah is the Promoter of our Company. As on the date of this Red Herring Prospectus, our Promoter holds 52,53,890Equity shares of our Company. Our Promoter and Promoter Group will continue to hold the majority of the post-issue paid-up Equity Share Capital of our Company.

Brief Profile of our Promoter is as under:



Mr. AnkurAshwin Shah–Managing Director	
Qualification	Bachelor of Engineering (Production)
Age	43 years
Date of Birth	March 29, 1978
Address	C/O, Flat No 3301, 33rd Floor, A Wing, Omkar 1973, PandurangBudhkarMarg, Worli, Mumbai, Mumbai City, Maharashtra - 400030
Total Experience in business & employment	22 Years
Occupation	Business
PAN No.	AAOPS0010J
No. of Equity Shares held&% of Shareholding (Pre Issue)	52,53,890 Equity Shares aggregating to 62.55% of Pre Issue Paid up Share Capitals
Other Interests	**Directorship in other Companies:** 1. KrishIndustriesPrivate Limited 2. Krish Commodities (India) Private Limited 3. Vystra Systems Private Limited **Partnership Firm** 1. M/s Hindustan Cables & Wires **HUF:** 1. Ankur Shah HUF (Karta) 2. Ashwin Shah HUF (Karta)

*For brief biography of our Individual Promoter, please refer to Chapter titled **"Our Management"** beginning on page 154 of this Red Herring Prospectus.*

Confirmations/Declarations

In relation to our Promoter, Mr. AnkurAshwin Shah, our Company confirms that the PAN, Aadhar Card, Driving license, bank account number and passport number has been submitted to National Stock Exchange of India Limitedat the time of filing of this Red Herring Prospectus.

Interest of our Promoter

Interest in promotion of Our Company:

Our Promoter is interested in the promotion of our Company and also to the extent of his shareholding and shareholding of his relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by him and his relatives. As on the date of this Red Herring Prospectus, Our Promoter, Mr.AnkurAshwin Shah holds 52,53,890 Equity Shares in our Company i.e. 62.55% of the pre issue paid up Equity Share Capital of our Company. Our Promoter may also be deemed to be interested to the extent of his remuneration, as per the terms of his appointment and reimbursement of expenses payable to him and unsecured loan advanced to/taken from him, if any.For details regarding the shareholding of our Promoter in our Company, please see ***"Capital Structure"*** on page 71 of this Red Herring Prospectus.

Interest in the property of Our Company:

Except as mentioned hereunder, our Promoter does not have any other interest in any property acquired/rented by our Company in a period of two years before filing of this Red Herring Prospectus or proposed to be acquired by us as on date of Red Herring Prospectus

Sr.No	Name of Promoter	Address of Property	Interest and nature of interest
1	Mr. AnkurAshwin Shah	503/A GIDC, Halol, Gujarat	Our Company has entered into Leave and License Agreement withKrish Industries Private Limited, where our promoter is Director and substantial shareholder, dated October 25, 2021, for the period of 5 Years from October 01, 2021 to September 30, 2026. For agreed lease rent of Rs. 240000/- per month. For further details of property please refer to Chapter titled ***"Our Business"*** beginning on page 118

In transactions for acquisition of land, construction of building and supply of machinery

Our Promoter is not interested in any transaction for the acquisition of land, construction of building or supply of machinery to our company.

Other Interests in our Company

For monetary transactions entered in past please refer ***"Note 29B"*** on ***"Related Party Transactions"*** *on page 213 forming part of* ***"Financial Information of the Company"*** *of this Red Herring Prospectus.*

Payment or Benefits to our Promoter and Promoter Group during the last 2 years:

For details of payments or benefits paid to our Promoter and promoter group, please refer to the paragraph ***"Compensation of our Managing Director and Whole Time Directors"*** in the chapter titled ***"Our Management"*** beginning on page 157 also refer ***"Note 29B"***on ***"Related Party Transactions"*** on page 213 forming part of "***Financial Information of the Company"*** and Paragraph on ***"Interest of Promoter"*** in chapter titled "***Our Promoter and Promoter Group***" on page 169 of this Red Herring Prospectus.

Companies/Firms with which our Promoter has disassociated in the last (3) three years

Except for Sirdar Travels Private Limited, our promoterhas not disassociated himself from any of the Company, Firms or other entities during the last three years preceding the date of this Red Herring Prospectus.

Other ventures of our Promoter

Save and except as disclosed in this section titled ***"Our Promoter & Promoter Group"*** beginning on page 169 of this Red Herring Prospectus, there are no other ventures, in which our Promoterhas any business interests/ other interests.

Defunct / Strike-off Company

Our Promoter was not associated with the companies that were strike off with ROC in the past.

Litigation details pertaining to our Promoter

For details on litigations and disputes pending against the Promoter and defaults made by the Promoter please refer to the section titled **"*Outstanding Litigations and Material Developments*"** beginning on page 250 of this Red Herring Prospectus.

Experience of Promoter in the line of business

Our Promoter, Mr. AnkurAshwinShahhas an experience of around 22years in all kinds of Steel working including smelting, rolling, drawing, heat treatment etc.

Related Party Transactions

For the transactions with our Promoter Group, please refer to section titled "***"Note 29B"- Related Party Transactions***" on page 213 of this Red Herring Prospectus.

OUR PROMOTER GROUP

In addition to the Promoter named above, the following natural persons are part of our Promoter Group:

1. **Natural Persons who are part of the Promoter Group**

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoter) are as follows:

Relationship with Promoter	**Mr. AnkurAshwin Shah**
Father	Late Mr. Ashwin Natwarlal Shah
Mother	Mrs. Pallavi Ashwin Shah
Spouse	Mrs. Preyal Ankur Shah
Brother	N.A.
Sister	Mrs. Amisha J Savjani
Son	Mr. Krish Ankur Shah
Daughter	N.A.
Spouse's Father	Mr. Chetan Dharia
Spouse's Mother	Mrs. Kalpana Chetan Dharia
Spouse's Brother	N.A.
Spouse's Sister	Mrs. Prachi Dhaval Oza

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

S.No.	Nature of Relationship	Entity
1	Any Body corporate in which 20% or more of the equity share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	**Companies:** 1. Krish Industries Private Limited 2. Krish Commodities (India) Private Limited 3. Vystra Systems Private Limited
2	Any company in which a company mentioned in (1) above, holds 20% or more, of the equity share capital	Nil
3	Any HUF or firm in which the aggregate shareholding of the Promoter and his immediate relatives is equal to or more than 20% of the total	**LLP:** 1. White Gold Technologies LLP **Partnership Firm** 1. M/s Hindustan Cables & Wires **HUF:** 1. Ankur Shah HUF 2. Ashwin Shah HUF **Proprietorship Firm** 1. M/s Shah Innovators(Proprietor Ankur Shah (HUF)) 2. M/s Shah Engineering (Proprietor Ashwin N Shah (HUF))

Other persons included in Promoter Group:

None of other persons forms part of promoter groupfor the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018.

DIVIDEND POLICY

Under the Companies Act, a Company can pay dividends upon a recommendation by our Board of Directorsand approval by the shareholders at the general meeting of our Company. The Articles of Association of ourCompany give our shareholders, the right to decrease, and not to increase, the amount of dividend recommendedby the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare andpay interim dividends. No dividend shall be payable for any financial except out of profits of our Company forthat year or that of any previous financial year or years, which shall be arrived at after providing for depreciationin accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the EquityShares. The declaration and payment of dividend will be recommended by our Board of Directors and approvedby the shareholders of our Company at their discretion and may depend on a number of factors, including theresults of operations, earnings, Company's future expansion plans, capital requirements and surplus, generalfinancial condition, contractual restrictions, applicable Indian legal restrictions and other factors consideredrelevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the past five financial years. OurCompany's corporate actions pertaining to payment of dividends in the past are not to be taken as beingindicative of the payment of dividends by our Company in the future.

SECTION VI
FINANCIAL INFORMATION OF THE COMPANY

To,
The Board of Directors,
Krishna Defence and Allied Industries Limited (formerly known as Krishna Allied Industries Limited)

Dear Sirs,

We have examined the attached Restated Financial Information of Krishna Defence and Allied Industries Limited (hereunder referred to "the Company", "Issuer") comprising the Restated Statement of Assets and Liabilities as at September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the Period ended September 30, 2021 and year ended March 31, 2021, March 31, 2020 and March 31, 2019, the Summary statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Information) as approved by the Board of Directors in their meeting held on February 08, 2022 for the purpose of inclusion in the Offer Document, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) and prepared in terms of the requirement of:-

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") as amended (ICDR Regulations"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")

The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Mumbai in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company for the Period ended on September 30, 2021 and year ended on March 31, 2021, 2020 and 2019 on the basis of preparation stated in ANNEXURE – D to the Restated Financial Information. The Board of Directors of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information.

We have examined such Restated Financial Information taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement in connection with the proposed IPO of equity shares of the Company;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and,

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

These Restated Financial Information have been compiled by the management from audited financial statements of company as at and for the Period / year ended September 30, 2021, March 31, 2021, 2020 and 2019 prepared in

accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India.
We have re-audited the special purpose financial information of the Company year ended March 31, 2021 prepared by the Company in accordance with the Accounting Standards for the limited purpose of complying with the requirement of getting its financial statements re-audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report on these special purpose financial information to the Board of Directors.

For the purpose of our examination, we have relied on:

a) Auditors' Report issued by the Previous Auditor i.e. M/s Sandeep Shah & Associates (the "Previous Auditors") dated 26th November, 2021, December 29, 2020 and September 12, 2019 for the Financial year ended 31st March 2021, 31st March 2020 & 31st March 2019 respectively.

b) The audit were conducted by the Company's previous auditor, and accordingly reliance has been placed on the statement of assets and liabilities and statements of profit and loss, the Significant Accounting Policies, and other explanatory information and (collectively, the Audited Financial Statement") examined by them for the said years.

The modification in restated financials were carried out based on the modified reports, if any, issued by Previous Auditor which is giving rise to modifications on the financial statements as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019. There is no qualification of previous auditor for the Financial Statement of 31st March 2021, 2020 and, 2019.

The audit reports on the financial statements were modified and included following matter(s) giving rise to modifications on the financial statements as at and for the Period ended September 30, 2021 and years ended March 31, 2021, 2020 & 2019:-

a) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;

b) The Restated Financial Information or Restated Summary Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;

c) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;

d) There were no qualifications in the Audit Reports issued by us for the Period ended September 30, 2021 and in the Audit Reports issued by previous auditor for the Financial Year Ended March 31, 2021, 2020 and 2019 which would require adjustments in this Restated Financial Statements of the Company;

e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in ANNEXURE – D to this report;

f) Adjustments in Restated Financial Information or Restated Summary Financial Statement have been made in accordance with the correct accounting policies;

g) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Information;

h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information or Restated Summary Financial Statement;

i) The Company has not paid any dividend since its incorporation. In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

a) The "Restated Statement of Assets and Liabilities" as set out in ANNEXURE – A to this report, of the Company as at September 30, 2021, March 31, 2021, 2020 and 2019 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – D to this Report.

b) The "Restated Statement of Profit and Loss" as set out in ANNEXURE – B to this report, of the Company for the Period ended September 30, 2021, and for the years ended March 31, 2021, 2020 and 2019 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – D to this Report.

c) The "Restated Statement of Cash Flow" as set out in ANNEXURE – C to this report, of the Company for the Period ended September 30, 2021, and for the years ended March 31, 2021, 2020 and 2019 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – D to this Report.

Audit for the financial year ended on March 31, 2021, March 31, 2020 and March 31, 2019 was conducted by M/s Sandeep Shah & Associates and accordingly reliance has been placed on the financial statement examined by M/s Sandeep Shah & Associates for the said years. Financial Reports included for said years are solely based on report submitted by them. Further financial statement for the year ended on March 31, 2021 are re-audited by us as per SEBI (ICDR), 2018.

We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the Period ended September 30, 2021 and Financial Year Ended March 31, 2021, 2020 and 2019 proposed to be included in the Offer Document for the proposed IPO.

Restated Statement of Share Capital, Reserves And Surplus	Note 3 & 4
Restated Long Term Borrowings	Note 5
Restated Long Term Provisions	Note 6
Restated Statement of Short Term Borrowings	Note 7
Restated Statement of Trade Payables	Note 8
Restated Statement of Other Current Liabilities And Short Term Provisions	Note 9 & 10
Restated Statement of Property, Plant & Equipments and Intangible Assets and Capital Work in Progress	Note 11
Restated Statement of Non Current Investments	Note 12
Restated Statement of Long-Term Loans And Advances	Note 13
Restated Statement of Other Non - Current Assets	Note 14
Restated Statement of Inventories	Note 15
Restated Statement of Trade Receivables	Note 16
Restated Statement of Cash & Bank Balance	Note 17
Restated Statement of Short-Term Loans And Advances	Note 18
Restated Statement of Other Current Assets	Note 19
Restated Statement of Revenue from Operations	Note 20
Restated Statement of Other Income	Note 21

Restated Cost of Materials Consumed	Note 22
Restated Purchase of Traded Goods	Note 23
Restated Changes In Inventories Of Finished Goods, Work-In-Progress And Stock-In-Trade	Note 24
Restated Statement of Employee Benefit Expenses	Note 25
Restated Statement of Finance Cost	Note 26
Restated Statement of Depreciation & Amortisation	Note 11
Restated Statement of Other Expenses	Note 27
Restated Statement of Contingent Liabilities	Note 28.A
Restated statement of Related party transaction	Note 29(B)
Restated Statement of Deferred Tax (Assets) / Liabilities	Note 29(E)
Restated Statement of Accounting Ratios	Note 30(F)
Mandatory Accounting Ratios	Annexure E
Material Adjustment to the Restated Financial Information	Annexure F
Restated Statement of Tax shelter	Annexure G
Restated Statement of Capitalization	Annexure H

In our opinion and to the best of information and explanation provided to us, the Restated Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in ANNEXURE – D are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, M/s CNK & Associates LLP, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above financial information contained in ANNEXURE – A to H of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out in ANNEXURE – D are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME-IPO for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For CNK & Associates LLP
Chartered Accountants
Firm Registration Number: 101961W/W-100036
Peer Review Number: 013232

Sd/-

Alok Shah
Partner
Membership No. 042005
Date: February 08, 2022
Place: Vadodara
UDIN: 22042005AAUKQX1817

ANNEXURE-A
RESTATED STATEMENT OF ASSET &LIABILITIES

(Amt. in Lakhs)

Particulars			Note No.	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
I.	**EQUITY AND LIABILITIES**						
1	**Shareholders' funds**						
	(a)	Share capital	3	840.00	420.00	420.00	420.00
	(b)	Reserves and surplus	4	1,084.89	1,382.78	1,189.13	1,114.52
				1,924.89	**1,802.78**	**1,609.13**	**1,534.52**
2	**Non-current liabilities**						
	(a)	Long-term borrowings	5	1,227.85	1,476.86	1,438.66	1,423.64
	(b)	Deferred tax liabilities (Net)	29E	29.25	21.09	19.54	23.37
	(c)	Long-term provisions	6	5.01	5.01	3.23	2.26
				1,262.11	**1,502.97**	**1,461.43**	**1,449.26**
3	**Current liabilities**						
	(a)	Short-term borrowings	7	1,129.49	1,080.51	1,129.02	1,311.02
	(b)	Trade payables	8				
		(C) Total outstanding dues of Micro and small enterprises		115.90	152.67	165.38	210.41
		(D) Total outstanding dues of creditors other than micro and small enterprises		870.40	520.24	906.61	1,489.08
	(c)	Other current liabilities	9	395.22	480.60	817.71	553.75
	(d)	Short-term provisions	10	106.13	80.29	52.08	51.62
				2,617.15	**2,314.32**	**3,070.79**	**3,615.87**
	TOTAL			**5,804.14**	**5,620.06**	**6,141.36**	**6,599.65**
II	**ASSETS**						
1	**Non-current assets**						
	(a)	Property, Plant and Equipment	11				
		(iv) Tangible assets		1,396.53	996.13	1,037.68	999.54
		(v) Capital work in progress		13.91	339.23	161.10	46.42
		(vi) Intangible assets		-	-	-	4.00
	(b)	Non-current investments	12	1.00	1.00	1.00	1.00
	(c)	Long-term loans and advances	13	16.77	17.25	72.35	53.77
	(e)	Other non-current assets	14	69.40	82.94	97.84	113.56
				1,497.61	**1,436.55**	**1,369.96**	**1,218.29**
2	**Current assets**						
	(a)	Inventories	15	1,597.87	1,528.02	2,058.82	1,113.08
	(b)	Trade receivables	16	1,219.62	1,320.79	1,217.66	3,161.11
	(c)	Cash and Bank Balance	17	994.11	908.96	1,102.56	901.63
	(d)	Short Term loans and advances	18	122.49	113.46	83.88	62.79
	(e)	Other current assets	19	372.45	312.29	308.47	142.76
				4,306.53	**4,183.51**	**4,771.39**	**5,381.37**
	TOTAL			**5,804.14**	**5,620.06**	**6,141.36**	**6,599.65**
	The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cashflows appearing in Annexure D,B & C						

ANNEXURE-B
RESTATED STATEMENT OF PROFIT AND LOSS

(Amt. in Lakhs)

Particulars		Note No.	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
I.	Revenue from operations	20	2,071.56	3,502.66	2,499.23	5,837.91
II.	Other income	21	26.64	116.18	73.14	52.94
III.	**Total Revenue**		**2,098.20**	**3,618.84**	**2,572.37**	**5,890.85**
IV.	**Expenses:**					
	Cost of materials consumed	22	422.01	739.11	1,106.12	1,079.86
	Purchases of Stock-in-Trade	23	492.58	285.91	481.36	2,985.00
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	24	(92.03)	601.96	(958.27)	(231.22)
	Employee benefit expenses	25	408.11	634.88	740.57	678.66
	Finance costs	26	88.42	172.43	169.96	177.20
	Depreciation and amortization expenses	11	69.83	139.65	139.19	129.05
	Other expenses	27	543.02	782.70	780.01	784.00
	Total expenses		**1,931.94**	**3,356.64**	**2,458.94**	**5,602.55**
V	**Profit before tax**		**166.26**	**262.20**	**113.44**	**288.30**
VI	**Tax expense:**					
	Current tax		34.43	67.00	36.69	84.58
	Tax of earlier years (Net)		1.57	-	5.97	-
	Deferred tax Liability/(Asset)		8.15	1.55	(3.82)	(2.72)
VII	**Profit for the period (V-VI)**		**122.11**	**193.65**	**74.61**	**206.44**
VIII	**Earnings per equity share:**					
	Basic	29(D)	1.45	2.31	0.89	2.46
	Diluted		1.45	2.31	0.89	2.46

The above statements should be read with the significant accounting policies and notes to restated summary, assets and liabilities and cashflows appearing in Annexure D,A & C

ANNEXURE-C
RESTATED CASH FLOW STATEMENT

(Amt in lakhs)

	Particulars	For the half year ended 30th September, 2021		For the year ended 31st March, 2021		For the year ended 31st March, 2020		For the year ended 31st March, 2019	
A	**CASH FLOW FROM OPERATING ACTIVITIES**								
	Profit before exceptional items, prior period items and tax:		**166.26**		**262.20**		**113.44**		**288.30**
	Adjustments for :								
	Depreciation /amortization	69.83		139.65		139.19		129.05	
	Loss on Sale/scrap of assets	-		-		-		0.11	
	Amount no longer payable written back	-		(51.29)		-			
	Rent Income	(1.20)		(2.40)		(2.40)		(2.40)	
	Award Income	-		-		-			
	Adjustment in opening balance for restatement							(31.28)	
	Interest received	(25.20)		(60.82)		(70.73)		(49.66)	
	Bad Debts	-		34.55					
	Interest Expense	83.75		167.12		146.43		164.14	
			127.18		**226.80**		**212.49**		**209.96**
	Operating Profit before working capital changes		**293.44**		**489.00**		**325.92**		**498.26**
	Adjustments for:								
	(Increase)/Decrease in Loans and Advances	(8.54)		17.98		(42.28)		(48.12)	
	(Increase)/Decrease in Trade receivables	101.16		(137.67)		1,943.45		(642.43)	
	(Increase)/Decrease in Inventories	(69.86)		530.80		(945.74)		(176.75)	
	(Increase)/Decrease in Other Non Current Assets	13.54		14.90		15.73		58.46	
	(Increase)/Decrease in Other Current Assets	(56.09)		0.97		(160.56)		29.65	
	Increase/(Decrease) in Trade Payable	313.39		(347.78)		(627.50)		690.46	

	Increase/(Decrease) in Liabilities and Provisions	(111.68)		(345.69)		265.39		(22.52)	
			181.93		**(266.50)**		**448.49**		**(111.26)**
	Cash generated from Operations		**475.37**		**222.50**		**774.41**		**387.00**
	Less : Direct taxes paid (Net of refund, if any)		16.14		(20.89)		(40.04)		(91.19)
	Cash flow before extraordinary items		**491.51**		**201.61**		**734.38**		**295.82**
	Net cash from Operating Activities (A)		**491.51**		**201.61**		**734.38**		**295.82**
B	**CASH FLOW FROM INVESTING ACTIVITIES**								
	Purchase of Property plant & Equipments		(144.91)		(276.23)		(292.02)		(416.75)
	Proceeds from Sale of Property plant & Equipments				-		4.00		1.00
	Purchase of Investment(net)				-				(1.00)
	(Increase)/Decrease in Other bank balances		(86.07)		195.90		(188.61)		(421.49)
	Rent Received		1.20		2.40		2.40		2.40
	Interest received		21.13		56.04		65.58		34.41
	Net Cash used in Investing Activities (B)		**(208.65)**		**(21.89)**		**(408.64)**		**(801.43)**
C	**CASH FLOW FROM FINANCIAL ACTIVITIES**								
	Receipt of Long term borrowings(net)		29.25		703.66		278.17		1,652.88
	Repayment of Long Term Borrowings		(270.36)		(642.31)		(305.07)		(1,085.47)
	Increase/(Decrease) in Short term Borrowings		41.07		(71.65)		(140.08)		79.43
	Interest paid		(83.75)		(167.12)		(146.43)		(164.14)
	Net cash used Financing Activities (C)		**(283.78)**		**(177.42)**		**(313.40)**		**482.69**
	Net increase in cash and cash equivalents (A+B+C)		**(0.93)**		**2.29**		**12.33**		**(22.92)**
	Cash and cash equivalents at the		22.96		20.66		8.34		31.26

	beginning of the year								
	Cash and cash equivalents at the end of the year		**22.03**		**22.96**		**20.66**		**8.34**
	Components of Cash & Cash Equivalents								
	Cash on hand		11.11		10.79		3.83		5.39
	Balance with schedule banks								
	In Current Account		10.92		12.17		16.84		2.94
	Cash and Cash Equivalents (As per Note No.17)		**22.03**		**22.96**		**20.66**		**8.34**
	Note:-								
1	Figures in the brackets represents cash outflow.								
2	The above statements should be read with the significant accounting policies and notes to restated summary, and profit and losses assets and liabilities appearing in Annexure D,A & B								

ANNEXURE – D
SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED SUMMARY STATEMENTS

1. Company Overview

"M/s Krishna Industries" was converted from partnership firm to a Private Limited Company under Part IX of Companies Act, 1956 in the name of "Krishna Allied Industries Private Limited" vide Certificate of Incorporation dated September 10, 2013, bearing registration No. 248021 issued by Registrar of Companies, Maharashtra, Mumbai and CIN No. U74900MH2013PTC248021. Subsequently it was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on September 27, 2021 and the name of Company was changed from "Krishna Allied Industries Private Limited" to "Krishna Allied Industries Limited" vide fresh Certificate of Incorporation granted to Company consequent upon conversion into public limited company dated October 20, 2021 by the Registrar of Companies, Mumbai bearing Corporate Identification Number U74900MH2013PLC248021.Therafter the name of the Company was changed from "Krishna Allied Industries Limited" to "Krishna Defence and Allied Industries Limited" pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on November 01, 2021 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on December 07, 2021 by the Registrar of Companies, Mumbai.

The company is engaged in the diversified business of manufacturing Defence application products, Dairy equipment products and Kitchen Equipment's.

2. Statement on Significant Accounting Policies

a) Basis of Preparation

Basis of accounting and preparation of financial statements:

The Restated Summary Statement of Assets and Liabilities of the Company as on September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the same period mentioned above and the annexure thereto (collectively, the "Restated Financial Statements" or "Restated Summary Statements") have been extracted by the management from the Financial Statements of the Company for the period ended on September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act. The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

c) Property , Plant and Equipment

(i) Tangible Fixed Assets

Lease hold is carried at historical cost less amortisation of lease charges over the tenure of lease agreement. All other items of property, plant and equipment are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees, and for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policies. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

Subsequent expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

De-Recognition:

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when the asset is de-recognised.

Depreciation methods, estimated useful lives and residual value:

Depreciation on property, plant and equipment is provided using the written down value method based on the life and in the manner prescribed in Schedule II to the Companies Act, 2013, and is generally recognized in the statement of profit and loss. Cost of Lease hold is amortised over the tenure of lease agreement. Freehold land is not depreciated. Incase where the cost of part of asset is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining assets, the useful life of that significant part has been determined seperately.

Asset Group	Useful Life
Buildings	Factory Building - 30 years, Others-60 years
Plant and Equipment	15 years
Lab Equipments	10 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office equipments	5 years
Computer Equipments	Server and Equipments-6 years, Others- 3 years
Electrical Installation	10 years

The depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of

useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Capital work in progress:
Capital work-in-progress is carried at cost, comprising direct cost and related incidental expenses.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Long Term Loans and advances" and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'

(ii) Intangible assets:

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Amortisation of Intangible assets
The amortisation of an Intangible Assets is allocated on a systematic basis over the best estimate of its useful life of the Intangible asset

Asset Group	Useful Life
Intangible Assets	3 – 10 Years

d) Impairment

i) At each Balance Sheet date, the company assesses whther there is any indication that an asset may be impaired. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

iii) A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

e) Assets Held for Disposal

Items of Fixed assets that have been retired from active use and held for disposal are stated at the lower of their net book value or net realisable value.

f) Inventories

Inventories are measured at lower of cost and net realizable value. Cost of inventories is determined on a First in First Out (FIFO) (as mentioned below), after providing for obsolescence and other losses as considered necessary. Cost includes expenditure incurred in acquiring the inventories, conversion costs and other costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Items of Inventory are valued on the principle laid down by the AS 2 on Inventories:

(a)	Raw Materials	Lower of cost (determined on First In First Out Basis) and net realizable value.
(b)	Packing Material	Lower of cost (determined on FIFO basis) and net realizable value.
(c)	Finished Goods	Lower of cost (determined on FIFO basis) and net realizable value.
(d)	Work in progress	Lower of cost (determined on FIFO basis) and net realizable value.
(e)	Stores & spares	At cost
(f)	Scrap	At net realizable value

g) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non Current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Non Current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of these investments.

Investment properties

Property , plant and Equipment not intended to be occupied substantially for use by, or in the operations, of the company are classifed as Investment property.The said Investment property is accounted in accordance with Cost model presecibed in Accounting Standard 10- Property, Plant and Equipment and accordingly depreciated over the useful life of the asset

h) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods
Revenue from sale of goods is recognised when the significant risks and rewards or ownership of the goods have passed to the buyer. Revenue is recognised to the extent there is reasonable certainty of its ultimate collection.

Interest
Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Rent Income
Income is recorded on accrual basis per terms of agreement,

Other Income
Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

i) Foreign Currency Transaction

Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of companyat rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

j) Operating Lease

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as Operating Leases. Operating lease payments are recognised as an expense in the statement of Profit and Loss on a straight line basis over the lease term.

k) Taxation

Tax expense comprises current and deferred taxes. Current income-taxes measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of other items based on future sales projection of the company. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their relisability.

l) Employee Benefits

i. Short-term Employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus, leave salary, allowances, etc are recognised as actual amounts due in period in which the employee renders the related services.

ii. Defined contribution plan

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

iii. Defined benefit Plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-

line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The scheme is funded by the policy from Life insurance corpoaration of India.

iv. Long term Employee benefits

The Company's long term benefits included leave encashment payable at the time of retirement subject to policy of maximum leave accumulation of company. The scheme is not funded. The Company has made provision based on actual liability.

m) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are charged to Statement of Profit and Loss over the tenure of the borrowing.

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o) Provisions and contingencies

Provisions are recognized when an enterprise has a present obligation as a result of past event for which it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the best current estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurence or non-occurence of one or more uncertain future events not wholly within the control of the company or the present obligations that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

p) Cash and Cash Equivalents

Cash and cash equivalents for the purposes of the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

q) Cash Flow Statement

Cash flows are reported using the Indirect Method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

NOTE No. 3: RESTATED SHARE CAPITAL

Note No- 3(i) Details of share capital

(Amt. in Lakhs)

Particulars	As at 30 September, 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Number of Shares	₹	Number of Shares	₹	Number of Shares	₹	Number of Shares	₹
Authorized								
Equity Shares of ` 10/- each with voting rights	1,20,00,000	1,200.00	60,00,000	600.00	60,00,000	600.00	60,00,000	600.00
Issued								
Equity Shares of ` 10/- each with voting rights	84,00,000	840.00	42,00,000	420.00	42,00,000	420.00	42,00,000	420.00
Subscribed & Paid up								
Equity Shares of ` 10/- each with voting rights	84,00,000	840.00	42,00,000	420.00	42,00,000	420.00	42,00,000	420.00
Total	**84,00,000**	**840.00**	**42,00,000**	**420.00**	**42,00,000**	**420.00**	**42,00,000**	**420.00**

Note No-3 (ii) Reconciliation of the Number of shares and amount outstanding at the beginning and at the end of the reporting period:

(Amt. in Lakhs)

Particulars	As at 30 September, 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Number of Shares	₹	Number of Shares	₹	Number of Shares	₹	Number of Shares	₹
Opening Balance	42,00,000	420.00	42,00,000	420.00	42,00,000	420.00	42,00,000	420.00
Add: Bonus share issued during the year	42,00,000	420.00	-	-	-	-	-	-
Add: Fresh Issue of shares	-		-	-	-	-	-	-
Closing Balance	84,00,000	840.00	42,00,000	420.00	42,00,000	420.00	42,00,000	420.00

Note No- 3(iii) Rights , preferences and restrictions attaching to each class of shares:
The Company has only one class of shares referred to as equity shares having a par value of `10/- each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in the proportion to the number of equity share held by the shareholders.

Note No- 3(iv) Shares allotted as fully paid-up

During the year, the company has allotted 42,00,000 equity shares as fully paid-up bonus shares in the ratio of 1:1 (i.e one Bonus shares for every share held) by capitalization of Security Premium account and Free reserves of Rs. 4,20,00,000/-

Note No- 3(v) Details of shares held by each shareholder holding more than 5 % shares:

Classes of Shares/Name of Shareholder	As at 30 September, 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity Shares with voting rights								
Late Ashwin Natwarlal Shah	-	-	-	-	-	-	17,21,900	41.00%
Ankur Ashwin Shah	52,53,890	62.55%	26,26,945	62.55%	26,26,945	62.55%	16,79,900	40.00%
Krish Commodities	5,88,000	7.00%	2,94,000	7.00%	2,94,000	7.00%	2,94,000	7.00%
Krish Industries	8,40,000	10.00%	4,20,000	10.00%	4,20,000	10.00%	4,20,000	10.00%
Pallavi Shah	16,33,710	19.45%	8,16,855	19.45%	8,16,855	19.45%	-	-

NOTE NO. 4: RESTATED RESERVES AND SURPLUS

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(a) Security Premium Account				
Opening Balance	25.00	25.00	25.00	25.00
Less:Utilised for Bonus Issued during the year (Refer Note No 3(iv))	25.00	-		-
Closing Balance	-	25.00	25.00	25.00
(b) Surplus				
Opening balance	1,357.78	1,164.13	1,089.52	883.08
Add : Surplus in statement of Profit and Loss	122.11	193.65	74.61	206.44
Less: Bonus issue during the year (Refer Note No 3(iv))	395.00	-	-	-
Closing Balance	1,084.89	1,357.78	1,164.13	1,089.52
Total (a)+(b)	**1,084.89**	**1,382.78**	**1,189.13**	**1,114.52**

NOTE NO. 5: RESTATED LONG TERM BORROWINGS

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(a) Term Loans (Refer note 5(i))				
- Secured				
(i) From Banks	313.76	361.35	266.39	226.42
- Unsecured				
(i) From Banks	-	-	-	20.10
(i) From NBFC	-	-	4.67	62.49
Total	**313.76**	**361.35**	**271.07**	**309.01**
Less: Current Maturities Out of above	111.45	103.53	80.39	122.31
	202.31	**257.82**	**190.68**	**186.70**
(b) Loans from directors (unsecured) (Refer note 5(ii))	405.94	472.03	654.01	670.75
(c) Inter-corporate Deposits (unsecured) (Refer note 5(i))	253.11	342.24	401.61	456.18
(d) Loan from share holders (unsecured) (Refer note 5(iii))	366.48	404.78	192.37	110.00
Total	**1,227.85**	**1,476.86**	**1,438.66**	**1,423.64**

Note No-5 (i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Secured Term loans from banks:				
(i) ICICI Car Loan	-	-	-	0.15
(Secured by way of Hypothecation of Used Car. Interest Rate is 13.50% with monthly rests. Loan is repayable in 36 equal monthly instalment of Rs. 8,564/-)				
(ii) Axis Bank Car Loan - (Brezza Loan)	3.04	3.88	5.45	6.90
(Secured by way of Hypothecation of Breza Car. Interest Rate is 8.60% with monthly rests. Loan is repayable in 60 equal monthly instalment of Rs. 16,534/-)				
(iii) Axis Bank Car Loan - (Brezza Loan)	3.04	4.21	5.45	6.90
(Secured by way of Hypothecation of Breza Car. Interest Rate is 8.60% with monthly rests. Loan is repayable in 60 equal monthly instalment of Rs. 16,534/-)				
(iv) Axis Bank Term Loan - 1	0.02	15.00	37.84	68.11

(The loan secured by way of first charge on entire present and future movable fixed asset of the company The above facility is also secured by way of charge on entire present and future current asset. The above facility is further secured by way of equitable mortgage on shed no. 121/8, 121/9, 121/20 to 22 and Shed no. 121/23 & 121/24 situated at Kalol. The facility is further secured by way of equitable mortgage on property situated at Flat no. B-302, Shivam Residency Tower, Opp. Urmi School, B/h Gangotri Party Plot, Samasavli Road, Vadodara - 390 002 which is owned by the director. The facility is further secured by way of lien on fixed deposits of Rs. 4.62 crores. The facility is further secured by way of personal guarantee of the managing director. Interest rate is 1 year MCLR (presently MCLR is 8.25%) plus 3.35% i.e. effective interest rate is 11.60%.Loan is repayable in 60 Equal Monthly Instalment of Rs. 2,50,000/- after the end of moratorium period of 6 months)				
(v) Axis Bank Term Loan - 3	39.31	57.45	84.63	-
(The loan secured by way of first charge on entire present and future movable fixed asset of the company The above facility is also secured by way of charge on entire present and future current asset. the above facility is further secured by way of equitable mortgage on shed no. 121/8, 121/9, 121/20 to 22 and Shed no. 121/23 & 121/24 situated at Kalol. The facility is further secured by way of equitable mortgage on property situated at Flat no. B-302, Shivam Residency Tower, Opp. Urmi School, B/h Gangotri Party Plot, Samasavli Road, Vadodara - 390 002 which is owned by the director. The facility is further secured by way of lien on fixed deposits of Rs. 4.62 crores. The facility is further secured by way of personal guarantee of the Managing Director. Interest rate is 8.25% linked to repo rate (i.e. 4.00%+4.25%).Loan is repayable in 60 Equal Monthly Instalment of Rs. 3,00,000/- after the end of moratorium period of 6 months)				
(vi) Standard Chartered Bank - office Loan	119.87	123.58	133.02	144.36
(Loan is secured by of mortgage of office situated at Unit No. 344, 3rd Floor, A to z industrial premises CSL,A to Z industrial Estate, Ganpatrao kadam Marg, Near Penisula Corporate Park, Lower Parel (West), Mumbai-400013. Interest rate is at 0.3% above MCLR Rate. Present MCLR rate is 8.70%.Loan is repayable in 120 Equal Monthly Instalment of Rs. 1,89,609/-)				
(vii) Axis Bank - ECLGS Term loan	148.49	157.23	-	-
(The loan secured by way of first charge on entire present and future movable fixed asset of the company The above facility is also secured by way of charge on entire present and future current asset. he above				

facility is further secured by way of equitable mortgage on shed no. 121/8, 121/9, 121/20 to 22 and Shed no. 121/23 & 121/24 situated at Kalol. The facility is further secured by way of equitable mortgage on property situated at Flat no. B-302, Shivam Residency Tower, Opp. Urmi School, B/h Gangotri Party Plot, Samasavli Road, Vadodara - 390 002 which is owned by the director. The facility is further secured by way of lien on fixed deposits of Rs. 4,62 crores. The facility is further secured by way of personal guarantee of the Managing Director. Interest rate is 8.25% linked to repo rate (i.e. 4.00%+4.25%). Loan is repayable in 36 Equal Monthly Instalment of Rs. 4,33,333/- after the end of moratorium period of 12 months)				
Total	**313.76**	**361.35**	**266.39**	**226.42**
Unsecured Term loans from banks:				
(i) ICICI Bank	-	-	-	3.95
(Interest Rate is 16.00% with monthly rests. Loan is repayable in 36 equal monthly instalments of Rs. 85,256/-.)				
(ii) Kotak Mahindra Bank	-	-	-	5.78
(Interest Rate is 16.00% with monthly rests. Loan is repayable in 36 equal monthly instalments of Rs. 1,20,609/-.)				
(iii) IndusInd Bank	-	-	-	10.38
(Interest Rate is 19.00% with monthly rests. Loan is repayable in 36 equal monthly instalments of Rs. 1,83,280/-.)				
Total	**-**	**-**	**-**	**20.10**
Unsecured Term loans from NBFC:				
(i) Mas Financials Services Ltd. Loan A/c	-	-	4.67	28.83
(Interest Rate is 16.00% with monthly rests. Loan is repayable in 60 equal monthly instalments of Rs. 2,45,644/-.)				
(ii) Capital First Ltd.	-	-	-	10.52
(Interest Rate is 19.00% with monthly rests. Loan is repayable in 60 equal monthly instalments of Rs. 1,85,113/-.)				
(iii) Edelweiss Financial Service Limited	-	-	-	8.28
(Interest Rate is 18.50% with monthly rests. Loan is repayable in 60 equal monthly instalments of Rs. 1,45,615/-.)				
(iv) Shriram City union Ltd	-	-	-	6.24
(Interest Rate is 16.00% with monthly rests. Loan is repayable in 60 equal monthly instalments of Rs. 1,09,969/-.)				
(v) Tata Capital Financial Service Limited	-	-	-	8.62
(Interest Rate is 17.60% with monthly rests. Loan is repayable in 60 equal monthly instalments of Rs. 1,80,136/-.)				
Total	**-**	**-**	**4.67**	**62.49**

Unsecured Inter corporate Deposits:				
(i) Shah Brothers Ispat Pvt. Ltd	90.00	150.00	166.14	254.70
(Interest on loan is 8.00% as par the agreement however company has taken waiver of interest for the FY 2020-21 and the half year ended 30th September, 2021)				
(ii) Sanaya Realties Pvt. Ltd.	-	-	27.88	25.00
(Interest on loan is 12.50%)				
(iii) Jaisons Realty (Asia) LLP (formerly known as Jaison Realty Asia Ltd.)	21.13	40.00	69.70	68.34
(Interest on loan is 8.00%)				
(iv) Stock Guardian India Private Limited	70.00	100.00	107.23	108.14
(Interest on loan is 8.00%)				
(v) Anju Securities Pvt Ltd.	71.98	52.24	30.66	-
(Interest on loan is 8.00%)		-		
	253.11	**342.24**	**401.61**	**456.18**

Note No-5 (ii) Details of terms of interest of loan from director

(Amt. in Lakhs)

Particulars	**As at 30 September, 2021**	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**
	₹	**₹**	**₹**	**₹**
Interest bearing loan (Interest paid at 9%)	16.84	32.93	-	-
Non - Interest bearing loan	389.10	439.10	654.01	670.75
	405.94	**472.03**	**654.01**	**670.75**

Note No-5 (iii) Details of terms of interest of loan from shareholders

(Amt. in Lakhs)

Particulars	**As at 30 September, 2021**	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**
	₹	**₹**	**₹**	**₹**
Interest bearing loan (Interest paid at 9%)	330.67	368.96	-	-
Non - Interest bearing loan	35.81	35.81	192.37	110.00
	366.48	**404.78**	**192.37**	**110.00**

NOTE NO. 6: RESTATED LONG TERM PROVISIONS

(Amt. in Lakhs)

Particulars	**As at 30 September, 2021**	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**
	₹	**₹**	**₹**	**₹**
(a) Provision for employee benefits				
(i) Provision for Compensated absences	4.85	5.01	-	-
(ii) Provision for Gratuity [Refer Note No- 29 (A)]	0.17	-	3.23	2.26
Total	**5.01**	**5.01**	**3.23**	**2.26**

NOTE NO. 7: RESTATED SHORT TERM BORROWINGS

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(a) Current Maturities of long-term debt: (Refer below note i)	111.45	103.53	80.39	122.31
(b) Loans repayable on demand				
- Secured				
(i) From Banks (refer below note (ii))	721.89	818.84	775.06	811.00
(c) Loans from directors (unsecured) (refer below note (iii))	267.96	123.46	267.75	356.60
(d) Loans from Shareholders (Unsecured) (refer below note (iv))	28.20	27.99	5.82	21.10
(e) Inter corporate Deposits (Unsecured)	-	6.69		
Total	**1,129.49**	**1,080.51**	**1,129.02**	**1,311.02**

Note:

(i) For details of security, Interest rate and repayment terms refer Note No.5 (i)
(ii) The above facility is secured by way of first charge on entire present and future current asset of the company. The above facility is further secured by way of equitable mortgage on shed no. 121/8, 121/9, 121/20 to 22 and Shed no. 121/23 & 121/24 situated at Kalol. The facility is further secured by way of equitable mortgage on property situated at Flat no. B-302, Shivam Residency Tower, Opp. Urmi School, B/h Gangotri Party Plot, Samasavli Road, Vadodara - 390 002 which is owned by the director. The facility is further secured by way of lien on fixed deposits of Rs. 4.62 crores. The facility is further secured by way of personal guarantee of the Managing director. Interest rate is 8.25% linked to repo rate (i.e. 4.00%+4.25%).
(iii) Details of terms of interest of loan from director

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Interest bearing loan (Interest paid at 9%)	9.69	6.82	-	-
Non - Interest bearing loan	258.27	116.64	267.75	356.60
	267.96	**123.46**	**267.75**	**356.60**

(iv) Details of terms of interest of loan from shareholders

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Interest bearing loan (Interest paid at 9%)	20.81	25.25	-	-
Non - Interest bearing loan	7.39	2.74	5.82	21.10
	28.20	**27.99**	**5.82**	**21.10**

NOTE NO. 8: RESTATED TRADE PAYABLES

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(i) Trade payables [Refer note no. 30(A)]				
- Total outstanding dues of Micro and small enterprises	115.90	152.67	165.38	210.41
- Total outstanding dues of Trade payables other than Micro and small enterprises	870.40	520.24	906.61	1,489.08
Total	**986.30**	**672.91**	**1,071.99**	**1,699.49**

NOTE NO 9: RESTATED OTHER CURRENT LIABILITIES

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Interest Accrued and Due on Borrowings	1.69	-	-	-
Other payables				
(i) Salary & Wages Payable	50.29	115.23	161.35	32.66
(ii) Statutory dues payable	8.21	8.08	15.64	110.68
(iii) Tax Deducted at Source payable	9.16	48.19	43.47	11.00
(iv) Advances From Customers	277.38	285.02	571.87	385.93
(v) Security Deposits from dealers	0.25	0.25	0.25	0.25
(vi) Others	48.25	23.83	25.13	13.24
Total	**395.22**	**480.60**	**817.71**	**553.75**

NOTE NO. 10: RESTATED SHORT TERM PROVISIONS

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(a) Provision for employee benefits				
(i) Provision for Compensated absences	-	-	-	0.04
(ii) Provision for Gratuity [Refer Note No- 29 (A)]	11.82	3.43	8.74	7.80
(ii) Provision for Bonus	24.68	19.06	17.64	16.74
(b) Provisions- Others				
(i) Provision for Warranties	17.49	19.22	25.70	27.03
(ii) Provision for Income tax (Net of Taxes paid in advance)	52.14	38.58	-	-
Total	**106.13**	**80.29**	**52.08**	**51.62**

NOTE NO. 11(a): Restated Property, Plant and Equipment

(Amt. in Lakhs)

Fixed Assets		Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2021	Additions	Disposals/transfers	Balance as at 30 September 2021	Balance as at 1 April 2021	Depreciation / amortization expense for the year	Eliminated on disposal of assets	Balance as at 30 September 2021	Balance as at 30 September 2021	Balance as at 31 March 2021
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(i)	**Tangible Assets (Owned)**										
	(a) Land										
	Freehold	153.94	-	-	153.94	-	-	-	-	153.94	153.94
	(b) Buildings										
	- Factory Building	355.05	3.75	-	358.80	186.51	9.27	-	195.77	163.02	168.54
	- Office Premises	230.54	-	-	230.54	29.53	4.91	-	34.44	196.10	201.01
	(c) Plant and Equipment	936.88	462.10	-	1,398.98	526.08	45.03	-	571.11	827.87	410.80
	(d) Furniture and Fixtures	86.37	0.42	-	86.79	47.36	5.08	-	52.44	34.35	39.01
	(e) Motor Vehicles	52.18	-	-	52.18	42.96	1.45	-	44.41	7.77	9.22
	(f) Laboratory Equipments	0.90	-	-	0.90	0.89	0.01	-	0.90	-	0.01
	(g) Office Equipments	38.95	3.03	-	41.98	31.19	2.11	-	33.31	8.67	7.75
	(h) Computer Equipments	29.36	0.94	-	30.30	23.52	1.98	-	25.50	4.80	5.84
	Total	1,884.18	470.23	-	2,354.41	888.06	69.83	-	957.88	1,396.53	996.13
	Previous Year	1,786.08	98.10	-	1,884.18	748.41	139.65	-	888.06	996.13	1,037.68
	Note 11(b) : Intangible Assets (Owned)										
		-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-	-	-	-	-

	Note 11(c) : Capital Work in Progress										
	(a) Capital Work in Progress	339.23	139.36	464.67	13.91	-	-	-	-	13.91	339.23
	Total	339.23	139.36	464.67	13.91	-	-	-	-	13.91	339.23
	Previous Year	161.10	178.13	-	339.23	-	-	-	-	339.23	161.10

(Amt. in Lakhs)

Fixed Assets		**Gross Block**				**Accumulated Depreciation**				**Net Block**	
		Balance as at 1 April 2020	**Additions**	**Disposals/ transfers**	**Balance as at 31 March 2021**	**Balance as at 1 April 2020**	**Depreciation/ amortization expense for the year**	**Eliminated on disposal of assets**	**Balance as at 31 March 2021**	**Balance as at 31 March 2021**	**Balance as at 31 March 2020**
		₹	**₹**	**₹**	**₹**	**₹**	**₹**	**₹**	**₹**	**₹**	**₹**
(i)	**Tangible Assets (Owned)**										
	(a) Land										
	Freehold	153.94	-	-	153.94	-	-	-	-	153.94	153.94
	(b) Buildings										
	- Factory Building	343.09	11.96	-	355.05	166.30	20.21	-	186.51	168.54	176.79
	- Office Premises	230.54	-	-	230.54	19.24	10.29	-	29.53	201.01	211.30
	(c) Plant and Equipment	869.78	67.10	-	936.88	440.97	85.11	-	526.08	410.80	428.81
	(d) Furniture and Fixtures	73.20	13.18	-	86.37	37.51	9.86	-	47.36	39.01	35.69
	(e) Motor Vehicles	52.18	-	-	52.18	38.75	4.21	-	42.96	9.22	13.43
	(f) Laboratory Equipments	0.90	-	-	0.90	0.89	0.01	-	0.89	0.01	0.01
	(g) Office Equipments	38.84	0.11	-	38.95	24.96	6.23	-	31.19	7.75	13.88
	(h) Computer Equipments	23.61	5.75	-	29.36	19.78	3.73	-	23.52	5.84	3.82

	Total	1,786.08	98.10	-	1,884.18	748.41	139.65	-	888.06	996.13	1,037.68
	Previous Year	1,608.75	177.33	-	1,786.08	609.21	139.19	-	748.41	1,037.68	999.54
	Note 11(b) : Intangible Assets (Owned)										
	(a) Technology Licences Fees	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Previous Year	4.00	-	4.00	-	-	-	-	-	-	4.00
	Note 11(c) : Capital Work in Progress										
	(a) Capital Work in Progress	161.10	178.13	-	339.23	-	-	-	-	339.23	161.10
	Total	161.10	178.13	-	339.23	-	-	-	-	339.23	161.10
	Previous Year	46.42	114.69	-	161.10	-	-	-	-	161.10	46.42

(Amt. in Lakhs)

Fixed Assets		**Gross Block**				**Accumulated Depreciation**				**Net Block**	
		Balance as at 1 April 2019	**Additions**	**Disposals/ transfers**	**Balance as at 31 March 2020**	**Balance as at 1 April 2019**	**Depreciation/ amortization expense for the year**	**Eliminated on disposal of assets**	**Balance as at 31 March 2020**	**Balance as at 31 March 2020**	**Balance as at 31 March 2019**
		₹	**₹**	**₹**	**₹**	**₹**	**₹**	**₹**	**₹**	**₹**	**₹**
(i)	**Tangible Assets (Owned)**										
	(a) Land										
	Freehold	153.94	-	-	153.94	-	-	-	-	153.94	153.94
	(b) Buildings										
	- Factory	324.37	18.72	-	343.09	145.99	20.31	-	166.30	176.79	178.38

	Building										
	- Office Premises	230.04	0.51	-	230.54	8.44	10.80	-	19.24	211.30	221.59
	(c) Plant and Equipment	719.09	150.69	-	869.78	366.20	74.77	-	440.97	428.81	352.88
	(d) Furniture and Fixtures	72.55	0.65	-	73.20	25.00	12.51	-	37.51	35.69	47.55
	(e) Motor Vehicles	52.18	-	-	52.18	32.61	6.14	-	38.75	13.43	19.57
	(f) Laboratory Equipments	0.90	-	-	0.90	0.88	0.01	-	0.89	0.01	0.02
	(g) Office Equipments	36.33	2.51		38.84	14.73	10.23	-	24.96	13.88	21.59
	(h) Computer Equipments	19.36	4.25	-	23.61	15.35	4.43	-	19.78	3.82	4.00
	Total	1,608.75	177.33	-	1,786.08	609.21	139.19	-	748.41	1,037.68	999.54
	Previous Year	1,245.32	366.34	2.91	1,608.75	481.96	129.05	1.80	609.21	999.54	763.36
	Note 11(b) : Intangible Assets (Owned)										
	(a) Technology Licences Fees	4.00	-	4.00	-	-	-	-	-	-	4.00
	Total	4.00	-	4.00	-	-	-	-	-	-	4.00
	Previous Year	-	4.00	-	4.00	-	-	-	-	4.00	-
	Note 11(c) : Capital Work in Progress										
	(a) Capital Work in Progress	46.42	114.69	-	161.10	-	-	-	-	161.10	46.42
	Total	46.42	114.69	-	161.10	-	-	-	-	161.10	46.42
	Previous Year	-	46.42	-	46.42	-	-	-	-	46.42	-

(Amt. in Lakhs)

Fixed Assets		Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2018	**Additions**	**Disposals/ transfers**	**Balance as at 31 March 2019**	**Balance as at 1 April 2018**	**Depreciation/ amortization expense for the year**	**Eliminated on disposal of assets**	**Balance as at 31 March 2019**	**Balance as at 31 March 2019**	**Balance as at 31 March 2018**
		₹	₹	₹	₹	₹	₹	₹	₹	₹	
(i)	**Tangible Assets (Owned)**										
	(a) Factory Land	153.94	-	-	153.94	-		-	-	153.94	153.94
	(b) Buildings										
	- Factory Building	324.37	-	-	324.37	123.25	22.74	-	145.99	178.38	201.12
	- Office Premises	-	230.04		230.04	-	8.44	-	8.44	221.59	-
	(c) Plant & Machinery	670.99	48.09	-	719.09	291.43	74.78	-	366.20	352.88	379.57
	(d) Furniture and Fixtures	27.13	45.41	-	72.55	16.88	8.12	-	25.00	47.55	10.25
	(e) Computer Equipments	16.08	3.27	-	19.36	11.40	3.95	-	15.35	4.00	4.68
	(f) Vehicles	36.35	18.74	2.91	52.18	27.14	7.28	1.80	32.61	19.57	9.21
	(g) Lab and other equipments	0.90	-	-	0.90	0.85	0.02	-	0.88	0.02	0.04
	(h) Office Equipments	15.55	20.78	-	36.33	11.02	3.72	-	14.73	21.59	4.53
	Total	1,245.32	366.34	2.91	1,608.75	481.96	129.05	1.80	609.21	999.54	763.36
	Previous Year	1,194.24	51.08	-	1,245.32	359.60	122.36	-	481.96	763.36	834.64
	Note 11(b) : Intangible Assets (Owned)										

	(a) Technology Licences Fees	-	4.00	-	4.00	-	-	-	-	4.00	-
	Total	-	4.00	-	4.00	-	-	-	-	4.00	-
	Previous Year	-	-	-	-	-	-	-	-	-	-
	Note 11(c) : Capital Work in Progress										
	(a) Capital Work in Progress	-	46.42	-	46.42	-	-	-	-	46.42	-
	Total	-	46.42	-	46.42	-	-	-	-	46.42	-
	Previous Year	-	-	-	-	-	-	-	-	-	

NOTE NO. 12: RESTATED NON CURRENT INVESTMENTS

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(a) Investment in Mutual Fund - Unquoted				
(a) Investment in units of UTI (At cost)	1.00	1.00	1.00	1.00
(C.Y. 6,204.629 Units, P.Y. 6,204.629 Units)				
Total	**1.00**	**1.00**	**1.00**	**1.00**
Aggregate cost of investment in Mutual Funds	1.00	1.00	1.00	1.00
Aggregate market value/(re-purchase price) of investment in Mutual Funds	0.87	0.71	1.00	1.04
Aggregate cost of other unquoted Investments				

NOTE NO. 13: RESTATED LONG TERM LOANS AND ADVANCES

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Unsecured, considered good				
(a) Capital Advance	3.66	3.57	50.50	39.46
(b) Prepaid Expenses	8.95	9.52	10.16	-
(c) Advance income tax (net of provisions)	4.17	4.17	11.70	14.31
Total	**16.77**	**17.25**	**72.35**	**53.77**

NOTE NO. 14: RESTATED OTHER NON CURRENT ASSETS

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(a) Security Deposits	69.40	82.94	97.84	113.56
Total	**69.40**	**82.94**	**97.84**	**113.56**

NOTE NO. 15: RESTATED INVENTORIES
(At lower of cost and net realizable value)

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(a) Raw Materials	71.84	108.02	47.24	59.43
(b) Work-in-progress	1,415.23	1,351.43	1,622.27	942.08
(c) Finished goods (other than those acquired for trading)	1.21	1.21	323.61	1.21
(d) Stock-in-trade	28.78	18.44	44.01	89.35
(e) Stores, Spares and fuel	39.59	25.59	15.21	15.56
(f) Scrap	41.21	23.32	6.48	5.45
Total	**1,597.87**	**1,528.02**	**2,058.82**	**1,113.08**

Note No. 15(i) Details of inventory of Raw Materials

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
S S Sheets	23.79	35.32	-	9.90
Milking Machine Parts	48.06	72.70	47.24	49.53
Total	**71.84**	**108.02**	**47.24**	**59.43**

Note No. 15(ii) Details of inventory of Work-In-Progress

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Bulb Bar	1,171.17	1,065.71	1,278.13	674.55
Milk Cans	244.06	285.73	344.14	267.53
Total	**1,415.23**	**1,351.43**	**1,622.27**	**942.08**

Note No. 15(iii) Details of inventory of Finished Goods

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Bulb Bar	-	-	322.40	-
Milk Cans	1.21	1.21	1.21	1.21
Total	**1.21**	**1.21**	**323.61**	**1.21**

NOTE NO. 16: RESTATED TRADE RECEIVABLES

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Unsecured, considered good				
Trade receivables outstanding for a period exceeding six months from the due date of payment	397.58	475.79	599.31	540.45
Other Trade receivables	822.04	844.99	618.35	2,620.66

Total	**1,219.62**	**1,320.79**	**1,217.66**	**3,161.11**

NOTE NO. 17: RESTATED CASH AND BANK BALANCES

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(A) Cash and Cash Equivalents				
(a) Cash on hand	11.11	10.79	3.83	5.39
(b) Balances with Banks in current accounts				
- In current accounts	10.92	12.17	16.84	2.94
(B) Other Balances				
(i) Bank Balances held as margin money against Guarantees (See note 17(i))	318.34	244.75	460.22	310.52
(ii) Fixed Deposit with Bank (See note 17(ii))	653.74	641.25	621.67	582.77
Total	**994.11**	**908.96**	**1,102.56**	**901.63**

(i) Margin monies amounting to Rs. 318.34 Lakhs /-(As at 31 March, 2021 Rs. 244.75 Lakhs) (As at 31 March, 2020 Rs. 460.22 Lakhs) (As at 31 March, 2019 Rs. 310.52 Lakhs) have maturity of more than 12 months.

(ii) The above Fixed deposits is given as collateral security to the banks against the cash credit facility and term loans

NOTE NO. 18: RESTATED SHORT TERM LOAN AND ADVANCES

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Unsecured, considered good				
(a) Loans and advances to employees	16.54	11.66	6.88	7.01
(b) Prepaid expenses	16.53	12.80	10.32	39.49
(c) Balances with government authorities	87.66	87.26	64.95	12.74
(d) TDS receivable from Financial Institution	1.75	1.75	1.73	3.55
Total	**122.49**	**113.46**	**83.88**	**62.79**

NOTE NO. 19: RESTATED OTHER CURRENT ASSETS

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Unsecured, considered good				
(a) Interest accrued on deposits	54.49	50.42	45.64	40.48
(b) Advance to Suppliers and others	317.96	261.87	262.84	102.28
Total	**372.45**	**312.29**	**308.47**	**142.76**

NOTE NO. 20: RESTATED REVENUE FROM OPERATIONS

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
(a) Sale of products(Refer note 20(i))	1,985.49	3,427.79	2,416.72	5,762.69
(b) Other Operating revenue(Refer note 20(ii))	86.06	74.87	82.51	75.22
Total	**2,072**	**3,502.66**	**2,499.23**	**5,837.91**

Note No. 20 (i) Sale of Products comprises of

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
Sale of manufactured goods				
Defence Product	1,195.45	2,404.66	764.61	862.92
Dairy & Kitchen Equipment	258.08	653.09	752.05	1,149.55
	1,453.53	**3,057.74**	**1,516.66**	**2,012.47**
Sale of Traded goods				
Defence Product	3.22	2.97	320.22	
Dairy & Kitchen Equipment	528.75	367.08	579.84	1,231.21
Others	-	-	-	2,519.01
	531.97	**370.05**	**900.06**	**3,750.22**
Total Sale of Products	**1,985.49**	**3,427.79**	**2,416.72**	**5,762.69**

Note No. 20(ii) Other Operating Revenue comprises of

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
(i) Job Work Income	0.17	0.24	1.35	3.57
(ii) Scrap Sales	85.89	74.64	81.16	70.94
(iii) Export Incentives	-	-	-	0.71
Total - Other operating revenues	**86.06**	**74.87**	**82.51**	**75.22**

NOTE NO. 21: RESTATED OTHER INCOME

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹

(a) Interest Income (Refer Note 21(i))	25.20	60.82	70.73	49.66
(b) Other Non-Operating Income (Refer Note 21(ii))	1.20	2.40	2.40	2
(c) Net gain on foreign currency transactions	-	1.09	-	0.69
(d) Misc. Income	0.00	0.58	0.01	0.20
(e) Amount no longer payable written back	0.24	51.29	-	-
Total	**26.64**	**116.18**	**73.14**	**52.94**

Note No. 21 (i) Interest Income comprises of

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
(i) Interest from Bank on:				
Fixed Deposits	25.20	60.82	70.73	49.66
Total - Interest income	**25.20**	**60.82**	**70.73**	**49.66**

Note No. 21 (ii) Other Non-Operating Income comprises of

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
(i) Rental income	1.20	2.40	2.40	2.40
Total	**1.20**	**2.40**	**2.40**	**2.40**

NOTE NO. 22: RESTATED COST OF MATERIALS CONSUMED

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
Raw Materials Consumption				
Opening Stock	108.02	47.24	59.43	111.95
Add: Purchases	385.83	799.89	1,093.93	1,027.34
	493.85	**847.13**	**1,153.36**	**1,139.29**
Less: Closing stock	71.84	108.02	47.24	59.43
Cost of Material consumed	**422.01**	**739.11**	**1,106.12**	**1,079.86**
Total	**422.01**	**739.11**	**1,106.12**	**1,079.86**

Note No. 22 (i) Cost of materials consumed comprises of:

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
Raw Material				
(a) S S Sheet / Plats	422.01	739.11	1,106.12	1,079.86
Total	**422.01**	**739.11**	**1,106.12**	**1,079.86**

NOTE NO. 23: RESTATED PURCHASE OF TRADED GOODS

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
Purchase of traded goods	492.58	285.91	481.36	2,985.00
Total	**492.58**	**285.91**	**481.36**	**2,985.00**

NOTE NO. 24: RESTATED CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
(a) Inventories at the beginning of the year:				
Finished Goods	1.21	323.61	1.21	1.21
Work in Progress	1,351.43	1,622.27	942.08	572.99
Stock in Trade	18.44	44.01	89.35	232.09
Scrap	23.32	6.48	5.45	0.59
	1,394.40	**1,996.37**	**1,038.09**	**806.88**
(b) Inventories at the end of the year:				
Finished Goods	1.21	1.21	323.61	1.21
Work in Progress	1,415.23	1,351.43	1,622.27	942.08
Stock in Trade	28.78	18.44	44.01	89.35
Scrap	41.21	23.32	6.48	5.45
	1,486.44	**1,394.40**	**1,996.37**	**1,038.09**
Net Change in Inventories	**(92.03)**	**601.96**	**(958.27)**	**(231.22)**

NOTE NO. 25: RESTATED EMPLOYEE BENEFIT EXPENSES

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
(a) Salaries, wages, bonus etc.	304.41	448.52	440.69	425.22
(b) Remuneration to directors	71.28	143.73	229.58	202.86
(c) Contributions to Provident and other funds	27.68	32.44	50.08	38.62
(d) Staff welfare expenses	4.74	10.19	20.23	11.96
Total	**408.11**	**634.88**	**740.57**	**678.66**

NOTE NO. 26: RESTATED FINANCE COSTS

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
(i) Interest expense				
(a) on borrowings	83.75	167.12	146.43	164.14
(ii) Other borrowing costs	4.66	5.16	23.44	12.96
(ii) Interest on statutory Dues	0.01	0.16	0.09	0.11
Total	**88.42**	**172.43**	**169.96**	**177.20**

NOTE NO. 27: RESTATED OTHER EXPENSES

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
Store & Spares Consumed	64.32	61.20	84.63	77.97
Job Work & Labour Changes	189.10	220.94	85.01	64.19
Power & Fuel Expenses	57.72	74.27	49.14	38.45
Repairs & Maintenance - Plant & Machinery	0.92	2.33	5.17	5.10
- Building	5.07	1.71	4.42	5.68
- Others	2.66	3.85	4.84	4.73
Laboratory and Testing Expenses	5.62	13.10	10.37	10.86
Travelling and Conveyance	38.92	36.95	76.99	58.05
Legal & Professional Charges	19.82	35.89	42.42	40.29
Rates & Taxes	0.78	5.20	6.25	0.80
Rent Expenses (Refer Note No. 29 C)	17.95	29.51	24.10	27.11
Security Expenses	8.58	16.93	16.56	16.33
Vehicle Expenses	6.78	8.62	9.40	15.52
Insurance	2.96	5.74	5.93	6.28
CSR Expenses	-	15.50	-	10.00
Donation Expenses	1.77	0.10	0.54	0.81
Factory Expenses	1.86	8.04	9.53	6.42
Installation charges	3.79	16.65	32.36	31.78
Freight & Forwarding charges	22.14	40.21	37.14	31.97
Loss on assets sold / scrapped (net)	-	-	-	0.11
Net loss on foreign currency transactions	0.87	-	0.32	-
Telephone & Internet Expenses	2.71	4.04	6.82	6.47
Bad Debts	-	34.55	-	-
Payment to Auditors				
a. Statutory Audit	0.50	0.90	0.90	0.90
b. Tax Audit	0.25	0.50	0.50	0.50
c. Company law matters	-	-	-	-
d. Other services	1.50	0.10	1.17	0.75
Selling & Distribution Expenses		-		
a. Commission on sales	-	0.75	50.23	84.29
b. Advertisement	0.10	2.97	29.56	3.18
c. Freight and Other Expenses	35.70	69.34	63.73	112.39
d. Discount, Sales Promotion and samples	14.19	7.95	19.47	28.49
e. Late Delivery Charges	0.34	10.31	24.24	6.28
Bank Charges	16.26	20.70	39.11	29.12
Warranty Expenses	-	-	-	21.57
Miscellaneous Expenses	19.83	33.84	39.16	37.61
Total	**543.02**	**782.70**	**780.01**	**784.00**

NOTE NO. 28 Other Disclosures as per Schedule-III of the Companies Act, 2013

28.A Restated Contingent Liabilities & Commitments

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹

(i) Contingent Liabilities				
(a) On account of Litigations				
(a) Value Added Tax (VAT)	-	-	3.57	3.57
(b) Central Sales Tax (CST)	36.32	36.32	6.30	6.30
(b) Bank Guarantees issued by bank on behalf of Company for which company has issued counter guarantee	1,384.30	1,219.54	1,223.37	1,302.12
(c) On account of other contingent claims	77.84	77.84	-	-
(ii)Commitments				
(a) Estimated amount of Contracts to be executed on capital account and not provided for net of capital advance	4.84	2.35	23.76	55.64
(b) Other Commitments	-	-	-	-

28.B Value of imports calculated on C.I.F basis by the company during the financial year in respect of

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
(a)Raw materials/ Traded Goods	4.73	17.19	16.48	32.84
(b)Plant & Machinery	-	30.46	-	-

28.C Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
(a)Travelling Expenses	17.44	0.90	25.41	4.13

28.D materials, spare parts and components similarly consumed and the percentage of each to the total consumption;

(Amt. in Lakhs)

Details of consumption of Raw Material *		Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
		₹	₹	₹	₹
(i)	Imported Raw materials	4.73	17.19	16.48	32.84
		1.12%	2.33%	1.49%	3.04%
(ii)	Indigenous Raw materials	417.27	721.91	1,089.64	1,047.02
		98.88%	97.67%	98.51%	96.96%
(*) Note 1: The stores and spares consumed are 100% indigenous.					

28.E Earnings in foreign exchange

(Amt. in Lakhs)

Particulars		Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
		₹	₹	₹	₹
(a)	Export of goods calculated on FOB basis	23.24	-	14.15	17.17

28-F Amounts remitted in foreign currency during the year on account of dividend

Particulars		Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
		₹	₹	₹	₹
(a)	Amount of dividend remitted in foreign currency	Nil	Nil	Nil	Nil

NOTE NO. 29 Disclosures under Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.(as amended)

29.A Disclosures under Accounting Standard - 15 (Employee Benefits)

Accounting Standard 15 on 'Employee Benefits' as prescribed under Section 133 of the Companies Act, 2013 read with Rule7 of the Companies (Accounts) Rules, 2014

(a) Defined Contribution Plans:

The Company makes Provident Fund and Superannuation Fund , contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The company has recognized the following amounts in the Statement of Profit and Loss for the year.

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	₹	₹	₹	₹
Contribution to Provident Fund	14.77	22.97	24.51	19.89
Contribution to ESIC	3.13	4.88	5.64	8.20

(b) Defined Benefit Plans:
The Company has policy of giving gratuity to its employees who complete period of qualifying service which is 5 years.

The company's plan assets in respect of Gratuity are funded through the Group Scheme of Life Insurance Corporation of India. The scheme provides for payment to vested employees as under:

i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Valuation Method	Projected Unit Credit (PUC) method
Discount Rate	6.55 % (Previous Year 6.25%)
Salary Escalation	7% (Previous Year 7%)
Mortality Rate	Indian Assured Lives Mortality (2012-14) Table
Withdrawal Rate	1 % to 20 % depending on age

Funded status of the plan

(Amt. in Lakhs)

Particulars	30-09-2021	2020-21	2019-20	2018-19

	₹	₹	₹	₹
Present value of funded obligations	107.92	84.46	80.12	66.53
Fair value of plan assets	(95.93)	(81.04)	(68.14)	(56.47)
Net Liability (Asset)	**11.99**	**3.43**	**11.97**	**10.06**

Profit and loss account for the period

(Amt. in Lakhs)

Particulars	**30-09-2021**	**2020-21**	**2019-20**	**2018-19**
	₹	**₹**	**₹**	**₹**
Current service cost	5.43	8.74	7.45	6.53
Interest on obligation	2.86	4.79	4.86	4.30
Expected return on plan assets	(2.89)	(4.35)	(4.39)	(4.31)
Net actuarial loss/(gain)	3.85	(4.56)	11.85	3.96
Total included in 'Employee Benefit Expense'	**9.26**	**4.63**	**19.77**	**10.48**

(Amt. in Lakhs)

Particulars	**30-09-2021**	**2020-21**	**2019-20**	**2018-19**
	₹	**₹**	**₹**	**₹**
Loss/(gain) on obligation	3.37	(4.81)	11.25	3.29
Loss/(gain) on assets	0.48	0.25	0.60	0.67
Net actuarial loss/(gain)	**3.85**	**(4.56)**	**11.85**	**3.96**

Reconciliation of defined benefit obligation

(Amt. in Lakhs)

Particulars	**30-09-2021**	**2020-21**	**2019-20**	**2018-19**
	₹	**₹**	**₹**	**₹**
Opening Defined Benefit Obligation	84.46	80.12	66.53	59.97
Transfer in/(out) obligation	12.60	-	-	-
Current service cost	5.43	8.74	7.45	6.53
Interest cost	2.86	4.79	4.86	4.30
Actuarial loss (gain	3.37	(4.81)	11.25	3.29
Benefit paid from fund	(0.81)	(4.38)	(9.98)	(7.55)
Closing Defined Benefit Obligation	**107.92**	**84.46**	**80.12**	**66.53**

Reconciliation of plan assets

(Amt. in Lakhs)

Particulars	**30-09-2021**	**2020-21**	**2019-20**	**2018-19**
	₹	**₹**	**₹**	**₹**
Opening value of plan assets	81.04	68.14	56.47	59.97
Transfer in/(out) obligation	12.60	-	-	-
Expected return	2.89	4.32	4.39	4.31
Actuarial gain/(loss)	(0.48)	(0.25)	(0.60)	(0.67)
Contributions by employer	0.69	13.20	17.86	0.42
Benefits paid	(0.81)	(4.38)	(9.98)	(7.55)
Closing value of plan assets	**95.93**	**81.04**	**68.14**	**56.47**

Composition of the plan assets

Reconciliation of plan assets				
Particulars	**30-09-2021**	**2020-21**	**2019-20**	**2018-19**

Policy of insurance	100%	100%	100%	100%

Reconciliation of net defined benefit liability

(Amt. in Lakhs)

Particulars	30-09-2021	2020-21	2019-20	2018-19
	₹	₹	₹	₹
Net opening provision in books of accounts	3.43	11.97	10.06	-
Transfer in/(out) obligation	12.60	-	-	-
Transfer (in)/out obligation	(12.60)	-	-	-
Employee Benefit Expense	9.26	4.66	19.77	10.48
	12.68	**16.63**	**29.83**	**10.48**
Contributions to plan assets	(0.69)	(13.20)	(17.86)	(0.42)
Closing provision in books of accounts	**11.99**	**3.43**	**11.97**	**10.06**

Principle actuarial assumptions

(Amt. in Lakhs)

Particulars	30-09-2021	2020-21	2019-20	2018-19
Discount Rate	6.35% p.a	6.55% p.a	6.25% p.a	7.65% p.a
Expected Return on Plan Assets	6.35% p.a	6.55% p.a	6.25% p.a	7.65% p.a
Salary Growth Rate	7.00% p.a	7.00% p.a	7.00% p.a	7.00% p.a
Withdrawal Rates	20.00% p.a at younger ages reducing to 1.00% p.a at older ages	20.00% p.a at younger ages reducing to 1.00% p.a at older ages	20.00% p.a at younger ages reducing to 1.00% p.a at older ages	20.00% p.a at younger ages reducing to 1.00% p.a at older ages

Table of experience adjustments

(Amt. in Lakhs)

Particulars	30-09-2021	2020-21	2019-20	2018-19
Defined Benefit Obligation	107.92	84.46	80.12	66.53
Plan Assets	95.93	81.04	68.14	56.47
Surplus/(Deficit)	**(11.99)**	**(3.43)**	**(11.97)**	**(10.06)**
Experience adjustments on plan liabilities	1.67	(2.69)	2.66	3.29
Actuarial loss/(gain) due to change in financial assumptions	1.71	(2.11)	8.61	-
Actuarial loss/ (gain) due to change in demographic assumption	-	-	(0.01)	-
Experience adjustments on plan assets	0.48	0.25	0.60	0.67
Net actuarial loss/ (gain) for the year	**3.85**	**(4.56)**	**11.85**	**3.96**

(c) Other Long term benefits:

The company's long term benefits includes leave encashment at the time of retirement subject to policy of maximum leave accumulation of company. The scheme is not funded. The company has made provision based on actual liability.

29.B Disclosures under Accounting Standard -18 (Related Party Disclosures)

Details of related parties:	
Description of relationship	**Names of related parties**
Key Management Personnel	(a)Late Mr. Ashwin Natwarlal Shah (up to 06th November, 2019)

(KMP)	(b) Mr. Ankur Ashwin Shah, Managing Director
	(c) Mr.Sandeep Ramrao Kadam, Whole time Director
	(d) Mr. Suvendu Banerjee, Whole time Director
	(e) Mr. Vasant Modak (Up to 23rd August, 2021)
	(f) Mrs. Pallavi Ashwin Shah(Up to 30th January, 2020)
	(g) Mrs. Preyal Ankur Shah, Non-Executive Director (Up to 14th December, 2021)
	(h) Mrs. Preyal Ankur Shah, Additional Non-Executive Director and Chairperson (w.e.f. 11th January, 2022)
	(i) Mr. Jaykumar Toshniwal, Independent Director (w.e.f. 23rdAugust, 2021)
	(j) Mr. Divyakant Ramniklal Zaveri, Independent Director (w.e.f. 02nd September, 2021)
	(k) Ms. Charmy Shah, Company Secretary (w.e.f. 22 nd October, 2021)
	(l) Mr. Piyush Harjibhai Patel, Chief Financial Officer (w.e.f. 23rd August, 2021)
Relatives of KMP	(a) Mrs. Pallavi Ashwin Shah (From 31st January, 2020)
	(b) Mrs. Amisha Savjani
	(c) Mr Chetan Dharia
	(d) Mrs. Sarojini Kadam
	(e) Mrs. Rakhi Banerjee
	(f) Mrs. Foram Patel
Enterprise in which KMP / Relatives of KMP or Directors can exercise significant influence	(a) Krish Industries Private Limited
	(b) Krish Commodities Private Limited
	(c) Hindustan Cables & Wires
	(d) White Gold Technologies LLP
	(e) Ankur Shah (HUF)
	(f) Ashwin Shah (HUF)
	(g) Shah Engineering (Proprietor Ashwin Shah (HUF))
	(i) Shah Innovators (Proprietor Ankur Shah (HUF))
Note: Related parties have been identified by the Management.	

Details of related party transactions and balances outstanding

1. Details of related party transaction during the year:

(Amt. in Lakhs)

Particulars	**Half year ended 30 September 2021**	**Year ended 31 March 2021**	**Year ended 31 March 2020**	**Year ended 31 March 2019**
	₹	**₹**	**₹**	**₹**
Remuneration to Directors & Key Managerial Personnel				
Late Ashwin Natwarlal Shah	-	-	80.00	90.00
Ankur Ashwin Shah	60.00	120.00	120.00	90.00
Pallavi Ashwin Shah	-	-	4.00	-
Sandeep Ramrao Kadam	6.12	12.46	13.67	11.97
Suvendu Banerjee	5.15	11.28	11.91	10.89
Piyush Harjibhai Patel	1.02	-	-	-
Professional charges to Key Managerial Personnel				
Vasant Modak	0.90	1.80	2.10	1.80
Salary to Relatives of Directors and Key Managerial Personnel				
Pallavi Ashwin Shah	-	-	4.00	-

Chetan Dharia	2.40	4.80	4.80	4.80
Sarojini Kadam	3.68	7.14	7.55	6.62
Rakhi Banerjee	3.00	5.57	6.00	5.21
Foram Patel	0.36	-	-	-
Loan Taken				
Late Ashwin Natwarlal Shah	-	9.90	13.60	416.65
Ankur Ashwin Shah	263.75	297.69	159.90	145.92
Pallavi Ashwin Shah	-	35.13	74.96	262.90
Preyal Ankur Shah	12.55	19.59	34.55	17.40
Krish Commodities Private Limited	31.85	32.00	32.85	33.25
Ankur Shah (HUF)	5.50	163.06	90.84	0.45
Ashwin Shah (HUF)	-	169.84	63.25	20.55
Loan Repaid				
Late Ashwin Natwarlal Shah	80.60	88.66	9.66	349.76
Late Ankur Ashwin Shah	91.52	204.09	251.99	162.63
Pallavi Ashwin Shah	5.81	275.44	68.64	43.68
Preyal Ankur Shah	27.25	15.05	58.32	19.18
Krish Commodities Private Limited	-	32.00	32.85	33.25
Ankur Shah (HUF)	36.05	98.20	61.45	5.77
Ashwin Shah (HUF)	17.32	105.47	25.55	12.42
Interest on unsecured loan				
Ashwin Shah (HUF)	6.21	9.55	-	-
Ankur Shah (HUF)	6.01	7.85	-	-
Pallavi Ashwin Shah	4.60	27.73	-	-
Preyal Ankur Shah	1.48	3.24	-	-
Purchase				
Krish Industries Pvt Ltd	414.06	198.32	261.91	393.27
White Gold Technologies LLP	3.91	2.37	7.24	0.18
Sales				
Krish Industries Pvt Ltd	0.03	1.35	27.28	1.20
White Gold Technologies LLP	29.03	28.59	10.45	5.41
Commission Expenses				
Krish Industries Pvt Ltd	-	-	29.18	36.87
Job work Charges				
Krish Industries Pvt Ltd	-	0.34	0.05	-
Rent Expenses				
Krish Industries Pvt Ltd	13.80	27.60	24.00	24.00
Hindustan Cables & Wires	-	-	-	3.00
Rent Income				
White Gold Technologies LLP	1.20	2.40	2.40	2.40
Reimbursement of Electricity expenses				
Krish Industries Pvt Ltd	24.78	30.89	21.18	15.59

2. Details of related party balances outstanding during the year:

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
Remuneration Payable				
Late Ashwin Natwarlal Shah	-	-	54.00	-
Ankur Ashwin Shah	5.55	81.00	71.00	-
Sandeep Ramrao Kadam	0.87	1.02	0.87	0.84
Suvendu Banerjee	0.70	0.86	0.80	0.61
Piyush Harjibhai Patel	0.79	-	-	-
Salary Payable				
Pallavi Ashwin Shah	-	-	7.40	-
Chetan Dharia	0.40	0.40	0.40	0.40
Sarojini Kadam	0.58	0.58	0.53	0.49
Rakhi Banerjee	0.49	0.49	0.50	0.41
Foram Patel	0.28	-	-	-
Amount Payable				
Late Ashwin Natwarlal Shah	228.63	309.23	387.99	384.06
Ankur Ashwin Shah	418.73	246.51	152.91	245.00
Pallavi Ashwin Shah	104.14	105.35	345.65	339.32
Preyal Ankur Shah	26.53	39.75	35.21	58.97
Krish Commodities Private Limited	31.85	-	-	-
Ankur Shah (HUF)	116.34	141.48	76.62	47.23
Ashwin Shah (HUF)	174.21	185.94	121.57	83.87
Trade Payable				
Krish Industries Pvt Ltd	266.78	-	-	65.74
Hindustan Cables & Wires	0.53	0.53	0.58	1.22
Vasant Modak	0.14	0.22	-	-
Trade Receivable				
White Gold Technologies LLP	189.18	234.06	124.46	14.75
Krish Industries Pvt Ltd	93.27	26.12	81.58	-
Deposits				
Krish Industries Pvt Ltd - Rent Deposit	10.00	10.00	10.00	10.00
Hindustan Cables & Wires - Rent Deposit	0.51	0.51	0.51	0.51

29.C Disclosures under Accounting Standard-19 (Leases)

Company as a Lessee

The Company's significant leasing arrangement are primarily in respect of operating leases for factory where the lease is cancellable by either of the party. The aggregate lease rentals paid during the year are as under

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
	₹	₹	₹	₹
(a) The annual lease rent paid	17.95	29.51	24.10	27.11

during the year				
(b) The annual lease rent paid				
Not later than one year	28.80	17.14	28.48	27.12
Later than one year and not later than five year	115.20	-	17.14	45.62
Beyond five year	-	-	-	-

Company as a Lessor

The Company's significant leasing arrangement are primarily in respect of operating leases for factory. The aggregate lease rentals received during the year are as under

(Amt. in Lakhs)

Particulars	**As at 30 September, 2021**	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**
	₹	**₹**	**₹**	**₹**
(a) The annual lease rent received during the year	1.20	2.40	2.40	2.40
(b) The annual lease rent received				
Not later than one year	2.92	2.78	2.65	2.52
Later than one year and not later than five year	8.53	11.45	11.97	11.40
Beyond five year	-	-	2.25	5.47

29.D Disclosures under Accounting Standards - 20 (Earnings Per Share)

Computation of Earnings per share:

(Amt. in Lakhs)

Particulars	**30-09-2021**	**2020-21**	**2019-20**	**2018-19**
	₹	**₹**	**₹**	**₹**
Profit available to Equity Share holders	122.11	193.65	74.61	206.44
Weighted average number of shares -				
shares Outstanding during the year before bonus issue(Nos.):	42,00,000	42,00,000	42,00,000	42,00,000
Add : Bonus Issue made (Nos.)	42,00,000	42,00,000	42,00,000	42,00,000
	84,00,000	84,00,000	84,00,000	84,00,000
Face Value per share	10	10	10	10
Basic Earnings per share	1.45	2.31	0.89	2.46
Diluted Earnings per share	1.45	2.31	0.89	2.46

29.E Disclosures under Accounting Standards- 22 (Accounting for taxes on Income)

(Amt. in Lakhs)

Particulars	**As at 30 September, 2021**	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March, 2019**
	₹	**₹**	**₹**	**₹**
Deferred tax (liability) / asset				
Tax effect of items constituting deferred tax liability				
On difference between book balance and tax balance of fixed assets	33.48	23.22	19.54	23.37
Others			-	-

Tax effect of items constituting deferred tax liability	33.48	23.22	19.54	23.37
Tax effect of items constituting deferred tax assets				
On items disallowed u/s 43B of Income Tax Act, 1961	4.24	2.12	-	-
Tax effect of items constituting deferred tax assets	4.24	2.12	-	-
Net deferred tax (liability) / asset	(29.25)	(21.09)	(19.54)	(23.37)

29.F Disclosures under Accounting Standard-17 (Segment Reporting)

Operating Segments

1. Company has identified the two operating segment based on its operating activity

- Dairy & Kitchen Equipments segment
- Defence Products

(Amt in lakhs)

Particulars	As at 30 September, 2021			As at 31 March 2021			As at 31 March 2020			As at 31 March, 2019			
	Dairy & Kitchen Equipments segment	Defence Products	Total	Dairy & Kitchen Equipments segment	Defence Products	Total	Dairy & Kitchen Equipments segment	Defence Products	Total	Dairy & Kitchen Equipments segment	Defence Products	Trading	Total
Revenue													
External	813.23	1,258.32	2,071.56	1,070.43	2,432.23	3,502.66	1,373.39	1,125.84	2,499.23	2,432.13	886.77	2,519.01	5,837.91
Inter Segment	-	-	-	-	-	-	-	-	-	-	-		-
Total Sales & Operating Income	**813.23**	**1,258.32**	**2,071.56**	**1,070.43**	**2,432.23**	**3,502.66**	**1,373.39**	**1,125.84**	**2,499.23**	**2,432.13**	**886.77**	**2,519.01**	**5,837.91**
Other Income	4.99	3.83	8.82	22.23	59.46	81.69	24.96	13.62	38.58	14.69	6.12	-	20.81
Total Revenue	**818.23**	**1,262.15**	**2,080.38**	**1,092.66**	**2,491.69**	**3,584.35**	**1,398.36**	**1,139.46**	**2,537.82**	**2,446.82**	**892.89**	**2,519.01**	**5,858.72**
Results													
Segment Results	38.78	332.07	370.85	108.17	435.67	543.84	183.96	289.08	473.04	475.61	48.54	102.64	626.79
Add: Interest and Other Income			17.82			34.49			34.56				32.13
Less:other unallocable expenses			222.41			316.13			394.16				370.62
Profit			166.26			262.20			113.44				288.30

Before Tax													
Less: Taxes			44.15			68.55			38.83				81.86
Profit After Tax			**122.11**			**193.65**			**74.61**				**206.44**
Segment Asset	1,479.41	3,279.04	4,758.45	1,214.61	3,443.56	4,658.17	1,521.04	3,664.28	5,185.32	1,567.57	4,103.46	-	5,671.04
Unallocated Corporate Assets			1,045.69			961.89			956.04				928.62
Total Assets			**5,804.14**			**5,620.06**			**6,141.36**				**6,599.65**
Segment Liability	462.05	937.45	1,399.50	337.53	836.52	1,174.05	446.34	1,563.48	2,009.81	464.14	1,774.48	-	2,238.62
Unallocated Corporate Liabilities			2,479.75			2,643.23			2,522.41				2,826.51
Total Liabilities			**3,879.25**			**3,817.28**			**4,532.22**				**5,065.13**
Capital Expenditure	259.35	954.99	1,214.34	266.68	867.67	1,134.35	289.21	698.27	987.48	312.09	516.27	-	828.36
Unallocated Capital Expenditure			196.10			201.01			211.30				221.59
Total Capital Expenditure			**1,410.44**			**1,335.36**			**1,198.78**				**1,049.95**
Segment Depreciation	10.12	54.80	64.92	25.15	104.21	129.36	31.26	97.13	128.39	33.26	87.35	-	120.61
Unallocated Segment Depreciation			4.91			10.29			10.80				8.44
Total Segment Depreciation			**69.83**			**139.65**			**139.19**				**129.05**

NOTE NO. 30: Other Disclosures

30.A Disclosures related to Micro, Small and Medium Enterprises.

The Company has made payments of dues to Micro, Small and Medium enterprises generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act.

The details relating to Micro, Small and medium enterprise disclosed as under:

(Amt. in Lakhs)

SN	Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
		₹	₹	₹	₹
1	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	115.90	152.67	165.38	210.41
2	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which h has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	4.17	5.00	5.68	4.17
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	4.17	5.00	5.68	4.17
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose		-	-	-

	of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.				

30.B Foreign Exchange exposure as on year end are as under:

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(a)Amount Receivable	Rs. 57.64	Rs. 73.07	Rs. 73.07	Rs. 75.79
	$0.89	$1.10	$1.10	$1.14
(b)Advance received for supply of goods	-	Rs. 22.43	-	-
	-	$0.29	-	-
	-	EUR 0.02	-	-

30.C Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Companies Act, 2013. The details of amount required to be spent and actual expenses spent during the year is as under:

(a) Gross amount required to be spent by the company for the period ended :(30th September, 2021 Rs. Nil) , (31st March, 2021 Rs. 6.35 Lakhs), (31st March,2020 Rs. 8.79 Lakhs)

(b) Company is not required to spent any amount for CSR under section 135 of the Company Act, 2013 for the year, as the company's profit does not exceeds prescribed limit specified under section 135 of the Company Act, 2013 for preceding the company during preceding three years.

(c) Amount spent are as under:

(Amt. in Lakhs)

SN	Particulars	Half year ended 30 September 2021	Year ended 31 March 2021*	Year ended 31 March 2020	Year ended 31 March 2019
		₹	₹	₹	₹
1	**Construction / Acquisition of Assets**				
	- In cash	-	-	-	-
	- Yet to be paid in cash	-	-	-	-
2	**On purpose other than (i) above**				
	- In cash	-	15.50	-	10.00
	- Yet to be paid	-	-	-	-
*Out of above, Rs. 8.79 Lakhs is pertaining to FY 2019-20.					

30.D Trade Payable Ageing summary

(Amt. in Lakhs)

SN	Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
		₹	₹	₹	₹	₹
As at 30 September, 2021						

(i)	MSME	111.99	3.16	0.60	0.15	115.90
(ii)	Others	808.54	8.73	52.42	0.71	870.40
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-
As at 31 March 2021						
(i)	MSME	137.03	13.05	2.58	0.01	152.67
(ii)	Others	450.76	9.42	60.04	0.02	520.24
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-
As at 31 March 2020						
(i)	MSME	158.25	7.13	-	-	165.38
(ii)	Others	711.52	147.75	3.00	44.34	906.61
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-
As at 31 March 2019						
(i)	MSME	209.21	-	1.20	-	210.41
(ii)	Others	1,441.69	3.05	-	44.34	1,489.08
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-

30.E Trade Receivable Ageing summary

(Amt. in Lakhs)

SN	Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
		₹	₹	₹	₹	₹	₹
As at 30 September, 2021							
(i)	Undisputed Trade Receivable - Considered Good	822.04	44.72	11.77	120.60	142.66	1,141.78
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	-	-	-	77.84	-	77.84
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
As at 31 March 2021							
(i)	Undisputed Trade Receivable - Considered Good	866.31	22.44	127.60	152.07	74.53	1,242.95
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	-	-	77.84	-	-	77.84
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
As at 31 March 2020							
(i)	Undisputed Trade Receivable - Considered Good	632.96	19.62	326.18	31.95	129.11	1,139.82
(ii)	Undisputed Trade	-	-	-	-	-	-

	Receivable - Considered doubtful						
(iii)	Disputed Trade Receivable - Considered Good	-	-	77.84	-	-	77.84
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
As at 31 March 2019							
(i)	Undisputed Trade Receivable - Considered Good	2,544.31	121.75	234.63	40.21	142.38	3,083.27
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	77.84	-	-	-	-	77.84
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-

30.F Accounting Ratios

SN	Particulars	30-09-2021	2020-21	2019-20	2018-19
1	Current Ratio	1.65	1.81	1.55	1.49
2	Debt-Equity Ratio	0.64	0.82	0.89	0.93
3	Debt Service Coverage Ratio	0.17	0.26	0.17	0.26
4	Return on Equity Ratio	6.34%	10.74%	4.64%	13.45%
5	Trade Receivables turnover ratio (in times)	1.63	2.76	1.14	2.06
6	Net capital turnover ratio (in times)	0.66	1.07	0.82	1.97
7	Net profit ratio	5.89%	5.53%	2.99%	3.54%
8	Inventory Turnover Ratio	0.57	0.94	0.45	3.82
9	Return on Capital employed	6.62%	10.87%	5.67%	6.89%

NOTE NO. 31: Previous year's figures

The figures of previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year.

ANNEXURE E
MANDATORY ACCOUNTING RATIOS

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Net Worth (A)	1,924.89	1,802.78	1,609.13	1,534.52
Adjusted Profit after Tax (B)	122.11	193.65	74.61	206.44
Number of Equity Share outstanding as on the End of Year (C)	84,00,000	42,00,000	42,00,000	42,00,000
Weighted average no of Equity shares at the time of end of the year (D)	84,00,000	84,00,000	84,00,000	84,00,000
Face Value per Share	10	10	10	10
Restated Basic and Diluted Earning Per Share (Rs.) (B/D)	1.45	2.31	0.89	2.46
Return on Net worth (%) (B/A)	6.34%	10.74%	4.64%	13.45%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Actual Number of Shares)	22.92	42.92	38.31	36.54
Net asset value per share (A/C) (Face Value of Rs. 10 Each) (Based on Weighted Average Number of Shares)	22.92	21.46	19.16	18.27
EBITDA	297.87	458.10	349.45	541.61

1) The ratios have been computed as below: The Below ratio's have not been annualized for the period ended 30th September, 2021

(a) Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

2) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and

3) The figures disclosed above are based on the restated summary statements of the Company.

4) EBITDA has been calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

ANNEXURE F
MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENT

A. Material Regroupings

Appropriate adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

B. Material Adjustments

The Summary of results of restatement made in the Audited Financial Statements for the respective period/years and its impact on the profit/ (loss) of the Company is as follows:

Reconciliation between audited profit and restated profit

(Amt. in Lakhs)

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Profit/(Loss) for the year as par audited financial statement	122.11	186.24	89.69	196.29
Adjustments:				
(Increase) / Decrease Expenses		12.45	(12.27)	4.38
Increase / (Decrease) Income		(13.95)	-	-
(Increase) / Decrease Income tax of earlier year	-	8.90	(2.82)	5.77
Net Profit /(loss) as per restated statement of profit and loss	**122.11**	**193.65**	**74.61**	**206.44**

C. Reconciliation Statement between Restated Reserve & Surplus affecting Equity due to Adjustment made in Restated Financial Statements

(Amt. in Lakhs)

Particulars	As at 30 September, 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Audited Shareholders fund as par audited financial statement	1,924.89	1,829.08	1,645.34	1,555.65
Adjustments:				
Increase/(Decrease) in other Current Assets	-	-	(1.04)	(1.39)
Increase / (Decrease) in other Bank balances	-	(11.45)	-	-
Increase/(Decrease) in long Term Loans & advances	-	-	(8.90)	(6.08)
(Increase)/Decrease in Provisions	-	-	(16.41)	(9.48)
(Increase)/Decrease in other Current Liabilities	-	(14.86)	(9.86)	(4.17)
Total equity as per restated statement of assets and liabilities	**1,924.89**	**1,802.78**	**1,609.13**	**1,534.52**

D. Reconciliation Statement of material adjustment in opening reserve

(Amt. in Lakhs)

Particulars	As at 1st April 2018
Audited Opening Reserves & surplus as par audited financial statement	939.36
Decrease/(Increase) in Expenses	(31.28)
(Decrease)/Increase in Income	2.50
Total Opening Reserves & surplus per restated statement of assets and liabilities	**910.58**

E. Notes on Adjustments

(a) Adjustments of expense

Adjustment on account of expenses is related to;

a) Merger expenses was deferred over a period of five years in the audited financials but the same has been adjusted in opening reserve,

b) bonus expenses was provided on payment basis in audited financials but the same is adjusted on accrual basis in restated financial statement,

c) gratuity expenses was provided based on valuation from LIC but the same has been provided based on actuarial valuation report in restated financial statement

d) Interest to trade payable MSME has been provided in restated financials.

(b) Adjustments of income

Adjustment on account of income is related to;

a) Defence Technology Absorption Reserve was accounted as income during FY 2020-21 in audited financial statement however same has been adjusted in opening reserve in the restated financials to recorded award income on accrual basis

b) Interest Income was wrongly credited in profit & loss account instead of being adjusted with accrued income for FY 2020-21. However, the same error is rectified in restated financial statement**.**

(c) Adjustments of income tax of earlier year

Adjustment on account of income tax of earlier year is related to short / excess provision of income tax of earlier year provided in next year which is adjusted in the year for which it is paid in the restated financial statement.

ANNEXURE G
RESTATED STATEMENT OF TAX SHELTER

(Amt. in Lakhs)

Sr. No.	Particular	30-09-2021	FY 2020-21	FY 2019-20	FY 2018-19
A	**Restated Profit before tax**	**166.26**	**262.20**	**113.44**	**288.30**
	Normal Corporate Tax Rates (%)	25.17%	25.17%	27.82%	27.82%
	MAT Tax Rates (%)	NA	NA	16.69%	20.59%
B	**Tax thereon (including surcharge and education cess)**				
	Tax on normal profits	41.84	65.99	31.56	80.21
C	**Permanent Differences**				
	Deduction allowed under Income Tax Act	-	-	(0.27)	(5.36)
	Disallowance of Expenses under the Income Tax Act	2.92	24.96	6.57	15.66
	Total Permanent Differences	**2.92**	**24.96**	**6.30**	**10.31**
D	**Timing Differences**				
	Difference between Depreciation as per Income tax, 1961 and Companies Act 2013	(40.79)	(6.12)	3.74	11.34
	Provision for Gratuity disallowed	8.56	3.43	-	-
	Expense disallowed u/s 43B	(0.16)	5.01	-	-
	Total Timing Differences	**(32.39)**	**2.32**	**3.74**	**11.34**
E	**Net Adjustments E= (C+D)**	**(29.47)**	**27.28**	**10.04**	**21.64**
F	Tax expense/(saving) thereon	(7.42)	6.87	2.79	6.02
G	**Total Income/(loss) (A+E)**	**136.79**	**289.48**	**123.47**	**309.95**
H	Taxable Income/ (Loss) as per MAT	-	-	113.44	288.30
I	**Income Tax as per normal provision**	34.43	72.86	34.35	86.23
J	Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act	-	-	18.93	59.35
	Net Tax Expenses (Higher of I,J)	**34.43**	**72.86**	**34.35**	**86.23**
K	**Relief u/s 90/91**	-	-	-	-
	Total Current Tax Expenses	**34.43**	**72.86**	**34.35**	**86.23**
	Interest on Income Tax	-	8.04	-	0.78
L	Adjustment for Interest on income tax/ others	1.57	-	5.97	-
	Total Current Tax Expenses	**36.00**	**80.89**	**40.32**	**87.01**

ANNEXURE H
CAPITALISATION STATEMENT

(Amt. in Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	1,129.49	1,129.49
Long Term Debt (B)	1,227.85	1,227.85
Total debts (C)	**2,357.34**	**2,357.34**
Shareholders' funds		
Equity share capital	840.00	*
Reserve and surplus - as restated	1,084.89	*
Total shareholders' funds	**1,924.89**	*
Long term debt / shareholders funds (in Rs.)	0.64	*
Total debt / shareholders funds (in Rs.)	1.22	*

(*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months

2. Long term Debts represent debts other than Short term Debts as defined

3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.09.2021

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the year endedSeptember 30, 2021, March 31, 2021, March 31, 2020, and March 31, 2019 and their respective Audit reports thereon (Audited Financial Statements) are available at www.krishnaallied.com

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus; or (iii) prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:-

Particulars	**Half year ended on September 30, 2021**	**For the year ended March 31,**		
		2021	**2020**	**2019**
Basic & Diluted Earnings per Share	1.45	2.31	0.89	2.46
Return on Net Worth (%)	6.34%	10.74%	4.64%	13.45%
Net Asset Value Per Share (Rs) (based on actual number of shares)	22.92	42.92	38.31	36.54
Net Asset Value Per Share (Rs) (based on weighted average number of shares)	22.92	21.46	19.16	18.27
Earnings before interest, tax, depreciation and amortization (EBITDA)	297.87	458.10	349.45	541.61

STATEMENT OF FINANCIAL INDEBTEDNESS

To,

The Board of Directors,
Krishna Defence and Allied Industries Limited (formerly known as Krishna Allied Industries Limited),
344, Floor-3, Plot-267, A To Z Industrial Estate,
Ganapatrao Kadam Marg, Lower Parel,
Delisle Road, Mumbai – 400013,
Maharashtra.

Dear Sirs,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of **Krishna Defence and Allied Industries Limited** and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 30th September, 2021 are mentioned below.

A. SECURED LOANS

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose	Loan/ Agreement A/c No./Ref. No.	Sanctioned Amount (In Lacs)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	Outstanding amount as on 30.09.2021 as per Books (In Lakhs)
Axis Bank	Car Loan (Brezza Loan) (CID 879814324)	AUR001303163161	8.04	8.60%	Hypothecation of Breza Car	60 monthly instalments of Rs. 16,534/- each commencing from June, 2018	YES	3.03
Axis Bank	Car Loan (Brezza Loan) (CID 863692222)	AUR001303163823	8.04	8.60%	Hypothecation of Breza Car	60 monthly instalments of Rs. 16,534/- each commencing	N.A.	3.03

						from June, 2018		
Axis Bank	Cash Credit	Kalol – 916030003231165 Halol - 916030003228745	800.00	Repo Rate + 4.25% p.a. Present Repo rate is 4.00% p.a. Effective rate of interest rate is 8.25% p.a.	**Primary Security (Pari passu first charge with SCB) :-** 1. Hypothecation on current asset of the company (Both present and future). **Collateral Security (Pari passu first charge with SCB on following properties):-** 1. Equitable Mortgage on shed no. 121/8, 121/9, 121/20 to 22 and Shed no. 121/23 & 121/24 situated at Kalol. 2. Equitable mortgage Flat no. B-302, Shivam Residency Tower, Opp. Urmi School, B/h Gangotri Party Plot, Samasavli Road, Vadodara - 390 002 which is owned by the director. 3. Secured by way of lien on fixed deposits of Rs. 4.62 crores. 4. LIC Policy in name of director assigned to Axis Bank, having surrender	Repayable on Demand	N.A.	721.89 (389.49 + 332.40)

					value of 0.46 lacs 5. Secured by way of personal guarantee of the director.			
Axis Bank	Term Loan 1	916060003287266	135.00	Repo Rate + 5.00% p.a. Present Repo rate is 4.00% p.a. Effective rate of interest rate is 9.00% p.a.	**Primary Security :-** 1. Secured by way of first charge on entire movable fixed asset of the company (present and future) **Collateral Security (Pari passu first charge with SCB):-** Same as mentioned for Cash Credit facility	60 monthly Instalment of Rs. 2,50,000/- each commencing after the end of moratorium period of 6 months that is August, 2016.	6 months	0.02
Axis Bank	Term Loan 3	919060097122673	180.00	Repo Rate + 4.25% p.a. Present Repo rate is 4.00% p.a. Effective rate of interest rate is 8.25%	**Primary Security :-** 1. Secured by way of first charge on entire movable fixed asset of the company (present and future) **Collateral Security (Pari passu first charge with SCB):-** Same as mentioned for Cash Credit facility.	60 Monthly Instalment of Rs. 3,00,000/- each commencing after the end of moratorium period of 6 months that is January, 2020.	6 months	39.31

				p.a.				
Axis Bank	ECLGS Term loan	920060046503274	156.00	Repo Rate + 4.25% p.a. Present Repo rate is 4.00% p.a. Effective rate of interest rate is 8.25% p.a.	**Primary Security (Pari passu first charge with SCB) :-** 1. Hypothecation on current asset of the company (Both present and future). **Collateral Security (Pari passu first charge with SCB):-** Same as mentioned for Cash Credit facility.	36 Monthly Instalment of Rs. 4,33,333/- each commencing after the end of moratorium period of 12 months that is august, 2021.	12 Months	148.49
Standard Chartered Bank	Office Loan	51636522	149.68	MCLR + 0.3% p.a. Present MCLR rate is 8.70% p.a. Effective interest rate is 9.00%.	**Collateral Security:-** Office situated at Unit No. 344, 3rd Floor, A to Z industrial premises CSL, A to Z industrial Estate, Ganpatrao Kadam Marg, Near Penisula Corporate Park, Lower Parel (West), Mumbai-400013.	120 Monthly Instalment of Rs. 1,89,609/- each commencing from August. 2018	N.A	119.87
Total (Fund Based)								**1035.64**
Axis Bank	Letter of credit		300.00	50% of the Bank's Standard Charges	**Primary Security :-** 1. 20% Cash Margin of LC value 2. Goods procured under	Aggregate Usance of LC up to 180 days.	N.A.	178.63

					Letter of Credit **Collateral Security (Pari passu first charge with SCB):-** Same as mentioned for Cash Credit facility			
Axis Bank	Bank Guarantee		1100.00	50% of the Bank's Standard Charges	**Primary Security :-** 1. 20% Cash Margin of BG 2. Counter Guarantee of the Borrower **Collateral Security (Pari passu first charge with SCB):-** Same as mentioned for Cash Credit facility	a) For customs: Maximum upto 10 years inclusive of claim period, if any. b) Other guarantees: Maximum upto 60 months inclusive of claim period, if any.	N.A.	1031.31
Standard Chartered Bank	Bank Guarantee		850.00	1% p.a. to be charged	**Primary Security :-** 1. 20% Cash Margin of BG **Collateral Security :-** 1. Sharing Industrial shed no. 121/8, 121/9, 121/20 to 22 and Shed no. 121/23 & 121/24 situated at Kalol under Pari Passu basis with Axis Bank 2. Sharing Flat no. B-302, Shivam	Up to 730 days	N.A	174.36

					Residency Tower, Opp. Urmi School, B/h Gangotri Party Plot, Samasavli Road, Vadodara - 390 002 which is owned by the director under Pari Passu basis with Axis Bank 3. Secured by way of lien on fixed deposits of Rs. 105.00 lakh 4. Secured by way of personal guarantee of the director Pari Passu charge on the entire current assets (Both present and future) of the company with Axis Bank			
Total (Non Fund Based)								**1,384.30**
Grand Total (Fund & Non Fund Based)								**2,419.94**

Principal terms of Cash Credit facilities availed from Axis Bank Limited:

1. The availability of working capital facilities will be subject to availability of the Drawing power calculated after keeping margin of 25% on inventory including Raw Materials (Domestic & Imported), Stocks in progress, Finished Goods, Stores and spares and Packing materials and margin of 25% on receivables with cover period of 90 days (Book debts arising on account of bills drawn on sister / associates concerns will not be financed except for genuine trade transaction.)

2. In addition to the rate of interest, following penal rate of interest/ charges will be charged: -

(a) Irregularity in Cash Credit Limit	In event of non-payments of interest/Drawing over limit/DP and/or non-payment of WCDL / FCDL / Interest on due date, penal interest at 4% p.a. on overdue amount / interest will be charged.
(b) Non- submission/ delayed submission of Stock Statement beyond the stipulated period of 15 days of	Penal interest of 2% p.a. on the outstanding amount of Fund-based credit facility and an additional commission of 0.50% p.a. on the outstanding amount of non-fund based credit facilities will be

next immediate month.	applicable for the period of default.
(c) Non-Submission of Financial Follow up report (FFR)/QIS/Audited balance sheet within stipulated time period	Penal interest of 2% p.a. on the outstanding amount of Fund-based credit facilities and an additional commission of 0.50% p.a. on the outstanding amount of non-fund based credit facilities will be applicable for the period of default.
(d) Expiry of working capital limits	Penal interest of 4% p.a. on the outstanding amount of Fund-based credit facilities will be applicable for the period of default.
(e) In case of breach of financial covenants	Penal interest at 1% p.a. on the outstanding amount for the period of breach.
(f) In the event of non-creation of security within stipulated timelines	Penal interest of 1% p.a. on the outstanding amount of Fund-based credit facilities and an additional commission of 0.50% p.a. on the outstanding amount of non-fund based credit facilities will be applicable for the period of default.

3. Commitment charges: -

Commitment fees	0.50% of aggregate limit plus applicable taxes

4. All the assets secured to bank shall be insured for full value plus 10% covering all risk with bank's interest noted therein.

5. Others:

(a) The borrower will place its proportionate banking business with the bank
(b) The Company shall not utilize the facility for extending loans to subsidiary companies / associates or for making inter corporate deposits.
(c) Book debts arising on account of bills drawn on sister / associate concerns will not be financed except for genuine trade transaction.

6. Stock Audit:

(a) Stock and Receivable Audit will be carried out as per Bank's extant instructions, at present the periodicity is once in a year.

Principal terms of Bank Guarantee facilities availed from Axis Bank Limited:

1. Margin of 20.00% (100% cash margin in case of guarantees covering disputed liabilities).

2. Period of Guarantee:

(c) For customs: Maximum upto 10 years inclusive of claim period, if any.
(d) Other guarantees: Maximum upto 60 months inclusive of claim period, if any.

3. Commission:

(a) 50% of the bank's standard charges
(b) For BG with 100% cash margin: 25% of the bank's standard charges shall be applicable
(c) BG commission will be calculated on the basis of actual month
(d) In case of BG invocation or non-payment of any other charges/commission, on the due dates, the same would carry interest at OD ROI + 2% p.a. for the period of delay/default

Principal terms of Bank Guarantee facilities availed from Standard Chartered Bank Limited :

1. Margin of 20.00%

2. **Period of Guarantee:**

(a) Upto 730 days.

3. Commission:

a. 1% p.a. to be charged on Bank guarantee facility
b. No BG to be issued for disputed liabilities

Principal terms of Letter of Credit facilities availed from Axis Bank Limited:

1. Margin of 20.00%

2. Usance Period of Letter of Credit:

a. Up to 180 days. Aggregate usance of LC

3. Commission:

(a) 50% of the bank's standard charges
(b) In case of devolvement of Bills or non-payment of any other charges/commission, on the due dates, penal interest over and above ROI of CC limit + 2% p.a. on the devolved/overdue amount will be charged

4. Others:
a. LC in favour of sister/associate concerns will not be opened unless prior approval of the bank is obtained
b. All terms and conditions relating to LC s would be subject to exchange control regulations/FEMA Stipulations/RBI regulations/UCPDC (2007 revision) ICC publication no. 600.subject to revision, if any and would be subject to directives from RBI from time to time
c. Opinion/Status report on the overseas/domestic supplier shall be obtained, if considered necessary, by the bank, at the cost of the borrower

d. Confirmation charges, if any, and other out of pocket expenses have to be borne by the borrower
e. Goods covered under LC shall be insured against all risks. Insurance cost to be borne by the borrower

Principal terms of Term Loan facilities availed from Axis Bank Limited:

(a) Margin of 33.33% for Term Loan 1 & 26.53% for Term Loan 3 to be kept with the bank by way of internal accruals and Unsecured Loans
(b) In the event of non-payment of TL Installment/Interest, penal interest at 4% p.a. on the amount of overdue installment/interest will be charged
(c) The Borrower shall provide a certificate from Chartered Accountant , to the satisfaction of the Bank, certifying end use of Term Loan availed from the Bank and contribution /margin brought in by the borrower
(d) Any cost overrun shall be brought to the notice of the bank and shall be funded by the borrower from own sources/promoters' fund
(e) Opinion/Status report on the overseas/domestic supplier shall be obtained, if considered necessary, by the bank, at the cost of the borrower
(f) In case of purchase of machinery and other equipments, as far as possible payment may be made directly to the vendors, However, reimbursement shall be permitted for expenditure incurred after the date of sanction on production of CA certificate for expenses incurred
(g) The bank shall have a right to conduct a review of the project at any stage before or after commencement of commercial production and borrower shall facilitate the same

Principal terms of General Condition of facilities availed from Axis Bank Limited:

The Company shall not without the prior written approval of the bank

(a) Enter into any merger / amalgamation etc or do a buy back;
(b) Wind up / Liquidate its affairs or agree / authorized to settle any litigation / arbitration having material adverse effect;
(c) Change the general nature of its business or undertake any expansion or invest in any other entity
(d) Permit any change in its ownership / control / management (including by pledge of promoter / sponsors share holding the borrowers to any third party) or enter into arrangement whereby its business / operations are managed or controlled directly or indirectly by any other persons. Unlisted borrowers shall submit quarterly certificates to confirm compliance of the same.
(e) Make any amendments to its constitutional documents.
(f) Avail any loan and / or stand as surety or guarantor for any third party liability or obligations and / or provide any loan or advance to any third party,
(g) Encumber it's assets.
(h) Pay any commission, brokerage or fees to its promoters / directors / guarantor / security provider
(i) Dispose it's assets other than as permitted by the bank in writing.

B. UNSECURED LOANS (LONG TERM BORROWINGS)

(Rs. in Lakhs)

Name	Purpose	Rate of Interest	Repayment	Outstanding Amount in Lacs as per Books as on 30.09.2021
Ankur Ashwin Shah	Business Loan	Nil	Repayable on Demand	389.10
Preyal Ankur Shah	Business Loan	9%	Repayable on Demand	16.84
Pallavi Ashwin Shah	Business Loan	9%	Repayable on Demand	83.33
Ankur A Shah (HUF)	Business Loan	9%	Repayable on Demand	109.51
Ashwin N Shah (HUF)	Business Loan	9%	Repayable on Demand	173.64
Shah Brothers Ispat Pvt. Ltd	Business Loan	8% but waived for 30/09/2021	Repayable on Demand	90.00
Jaisons Realty (Asia) LLP (formaly known as Jaison Realty Asia Ltd.)	Business Loan	8%	Repayable on Demand	21.13
Stock Guardian India Private Limited	Business Loan	8%	Repayable on Demand	70.00
Anju Securities Pvt Ltd.	Business Loan	8%	Repayable on Demand	71.98

B. UNSECURED LOANS (SHORT TERM BORROWINGS)

(Rs. in Lakhs)

Name	Purpose	Rate of Interest	Repayment	Outstanding Amount in Lacs as per Books as on 30.09.2021
Ankur Ashwin Shah	Business Loan	Nil	Repayable on Demand	258.27
Preyal Ankur Shah	Business Loan	9%	Repayable on Demand	9.69
Pallavi Ashwin Shah	Business Loan	9%	Repayable on Demand	20.81
Ankur A Shah (HUF)	Business Loan	9%	Repayable on Demand	6.82
Ashwin N Shah (HUF)	Business Loan	9%	Repayable on Demand	0.57

For C N K & ASSOCIATES, LLP
Chartered Accountants
FRN: 101961W/W-100036

Sd/-

Alok Shah
Partner
Membership No.: 042005
Place : Vadodara
Date :February 08, 2022
UDIN: 2204200SAAVYWI26S0

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our restated Consolidated financial statements attached in the chapter titled **"Financial Information of the Company"** beginning on page 174 You should also read the section titled **"Risk Factors"** on page 29 and the section titled **"Forward Looking Statements"** on page 20 of this Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements.*

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated February 08, 2022 which is included in this Red Herring Prospectus under "Financial Statements". The Restated Consolidated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

OVERVIEW

We are engaged in the diversified business of manufacturing defence application products, dairy equipment products and kitchen equipments. We have entered into various licensing agreement with Defence Research and Development Organisation ("DRDO") for obtaining the know-how and rights to enable us to manufacture and supply specialized Defence Application products for the Indian Armed Forces. Our defence application products include providing a wide array of high performance products for naval applications and border defence applications. We manufacture and assemble products like: ship building steel bulb bar, special steel alloy bricks used as ballast weight for critical applications, super alloys weld consumables like welding wire, flux and electrodes, food container and improved space heating device or bukhari.

We started our operations in the dairy equipment manufacturing since incorporation of our partnership firm, M/s Krishna Industries in 1997 and over the years our company has developed a wide range of Dairy Equipment products like: stainless steel milk cans, milk cooling tanks or bulk milk coolers, milking machine, cow brooming brush and robotic milk collection unit.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure D of Restated Financial Statements beginning on page 183 of this Red Herring Prospectus.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled **"*Risk Factors*"** beginning on page 29 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in consumer demand and preferences
- Decline or reprioritization of the Indian Defence Sector
- Failure to successfully upgrade our product portfolio, from time to time;
- Any change in government policies resulting in increases in taxes payable by us;
- Our ability to retain our key managements persons and other employees;
- Changes in laws and regulations that apply to the industries in which we operate.

- Our failure to keep pace with rapid changes in technology;
- Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
- General economic, political and other risks that are out of our control;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Company's ability to successfully implement its growth strategy and expansion plans;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Inability to successfully obtain registrations in a timely manner or at all;
- Occurrence of Environmental Problems & Uninsured Losses;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- Any adverse outcome in the legal proceedings in which we are involved; and
- Concentration of ownership among our Promoters.
- The performance of the financial markets in India and globally.
- Impact of covid-19 on our business and operations.

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the stub period ended on September 30, 2021 and FY 2021, 2020 and 2019.

(Amt. in Lakhs)

Particulars	Half Year Ended 30th Sept, 2021	% of Total Income	2020-21	% of Total Income	2019-20	% of Total Income	2018-19	% of Total Income
I. Revenue from operations	2,071.56	98.73%	3,502.66	96.79%	2,499.23	97.16%	5,837.91	99.10%
II. Other Income	26.64	1.27%	116.18	3.21%	73.14	2.84%	52.94	0.90%
III. Total Income (I +II)	**2,098.20**	**100.00%**	**3,618.84**	**100.00%**	**2,572.37**	**100.00%**	**5,890.85**	**100.00%**
IV. Expenses:-								
Cost of materials consumed	422.01	20.11%	739.11	20.42%	1,106.12	43.00%	1,079.86	18.33%
Purchase of Stock-in-Trade	492.58	23.48%	285.91	7.90%	481.36	18.71%	2,985.00	50.67%
Changes in inventories	-92.03	-4.39%	601.96	16.63%	-958.27	-37.25%	-231.22	-3.93%
Employee benefit expense	408.11	19.45%	634.88	17.54%	740.57	28.79%	678.66	11.52%
Financial costs	88.42	4.21%	172.43	4.76%	169.96	6.61%	177.20	3.01%
Depreciation	69.83	3.33%	139.65	3.86%	139.19	5.41%	129.05	2.19%
Other expenses	543.02	25.88%	782.70	21.63%	780.01	30.32%	784.00	13.31%
Total Expenses	**1,931.94**	**92.08%**	**3,356.64**	**92.75%**	**2,458.94**	**95.59%**	**5,602.55**	**95.11%**
V. Profit before Tax (III-IV)	**166.26**	**7.92%**	**262.20**	**7.25%**	**113.43**	**4.41%**	**288.30**	**4.89%**
VI. Tax expense:								
(1) Current tax	34.43	1.64%	67.00	1.85%	36.69	1.43%	84.58	1.44%
(2) Tax of earlier years (Net)	1.57	0.07%	-	0.00%	5.97	0.23%	-	0.00%
(2) Deferred Tax	8.15	0.39%	1.55	0.04%	-3.82	-0.15%	-2.72	-0.05%
VII. Profit after Tax (V-VI)	**122.11**	**5.82%**	**193.65**	**5.35%**	**74.61**	**2.90%**	**206.44**	**3.50%**

Revenue from operations:

Revenue from operations mainly consists of revenue from sale of products, being manufactured goods and traded goods consisting of Defence Equipment Products, Dairy & Kitchen Equipment Products and others and Other Operating revenue being Job Work Income, Scrap Sales, and Export Incentives.

Other Income:

Our other income primarily comprises of Interest Income, Rental income, Net gain on foreign currency transactions etc.

Expenses:

Company's expenses consist of Cost of Materials Consumed, Purchase of Stock-in-Trade, (Increase) / decrease in inventories, Employee benefits expense, Finance costs, Depreciation and amortization expenses and Other expenses.

Cost of Materials Consumed:

Cost of Materials Consumed comprises of cost of Raw Material consumed being stainless steel/plats.

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 comprises of increase/decrease in Finished Goods, Work in Progress, Stock in Trade, and Scrap.

Employee benefits expense:

Our employee benefits expense primarily comprises of Salaries, wages & bonus expenses, Remuneration to directors, Contribution to Provident and Other Fund, Staff welfare expenses etc.

Finance Costs:

Our finance cost includes Interest expense on borrowings, Other borrowing costs and Interest on statutory Dues.

Depreciation and Amortization Expenses:

Depreciation includes depreciation on Buildings, Plant & Equipment, Furniture & Fixtures, Motor Vehicles, Laboratory Equipment, Office Equipment, and Computer Equipment etc.

Other Expenses:

Our Other Expenses consists of Store & Spares Consumed, Job Work & Labour Changes, Power & Fuel Expenses, Travelling and Conveyance, Legal & Professional Charges, Rent Expenses, Freight & Forwarding charges, Selling & Distribution Expenses (being Freight and Other Expenses, Commission on sales, Discount, Sales Promotion and samples, and Late Delivery Charges), Bank Charges and Miscellaneous Expenses etc.

Details of six months period ended September 30, 2021 and Financial Year 2021 Compared to Financial Year 2020 (Based on Restated Financial Statements)

Total Income:

Total income for the half year ended September 30, 2021 stood at Rs. 2,098.20 Lacs. For financial year 2020-21, it stood at Rs. 3,618.84 Lakhs whereas in Financial Year 2019-2020 the same stood at Rs. 2,572.37 Lakhs representing an increase of 40.68%.

Revenue from Operations

During the half year ended September 30, 2021, net revenue from operations was Rs. 2071.56 Lacs. For financial year 2020-21 it increased to Rs. 3502.66 Lakhs as against Rs. 2,499.23 Lakhs in the Financial Year 2019-20 representing an increase of 40.15%. This increase is mainly due to increase in sale of products.

Other Income:

During the half year ended on September 30, 2021, other income was Rs. 26.64 Lacs. For financial year 2020-21, it increased to Rs. 116.18 Lakhs as against Rs. 73.14 lakhs in the Financial Year 2019-20 representing an increase of 58.85%. Such increase is mainly due to Amount no longer payable written back, Net gain on foreign currency transactions and Misc. Income.

Total Expenses:

The Total Expenditure for the half year ended September 30, 2021 stood at Rs. 1,931.94 Lacs. For financial year 2020-21, it increased to Rs. 3,356.64 Lakhs from Rs. 2,458.94 lakhs in the Financial Year 2019-20 representing an increase of 36.51%.

Cost of Materials Consumed

The Cost of Materials Consumed for the half year ended on September 30, 2021 stood at Rs. 422.01 Lacs. For financial year 2020-21, it decreased to Rs. 739.11 Lakhs from Rs 1106.12 Lakhs for the FY 2019-20, representing a decrease of 33.18% to the previous year.

Purchase of Stock in trade:

The Purchase of Stock in Trade for the half year ended September 30, 2021 was Rs. 492.58 Lacs and for the FY 2020-21, it decreased to Rs. 285.91 Lakhs from Rs 481.36 Lakhs for the FY 2019-20, representing a decrease of 40.60% to the previous year.

Employee benefits expense:

Our Company has incurred Rs. 408.11 Lacs as Employee benefits expense for the half year ended on September 30, 2021. It stood at Rs. 634.88 Lakhs during the financial year 2020-21 as compared to Rs. 740.57 Lakhs in the financial year 2019-20 representing a decrease of 14.27% due to decrease in remuneration.

Finance costs:

Finance costs for the half year ended September 30, 2021 was Rs. 88.42 Lacs. For financial Year 2020-21, it increased to Rs. 172.43 Lakhs as against Rs. 169.96 Lakhs during the financial year 2019-20. There is an increase of 1.45% which is mainly due to increase in Interest expense on borrowings.

Depreciation and Amortization Expenses:

Depreciation for the half year ended on September 30, 2021 was Rs. 69.83 Lacs. For financial year 2020-21, it stood at Rs. 139.65 Lakhs as against Rs. 139.19 Lakhs during the financial year 2019-20 indicating an increase of 0.33%.

Other Expenses:

Our Company has incurred Rs. 543.02 Lakhs as other expenses during the half year ended on September 30, 2021. For Financial Year 2020-21, other expenses were Rs. 782.7 Lacs as against Rs. 780.01 Lakhs during the financial year 2019-20 representing an increase of 0.34%.

Restated Profit before tax:

Net Profit before tax for the half year ended September 30, 2021 was Rs. 166.26 Lacs. For financial year 2020-21, it increased to Rs. 262.20 Lakhs as compared to Rs. 113.43 Lakhs in the financial year 2019-20.

Restated profit after tax*:*

The Company reported Restated profit after tax for the half year ended on September 30, 2021 at Rs. 122.11 Lacs. For financial year 2020-21, it stood at Rs. 193.65 Lakhs in comparison to Rs. 74.59 lakhs in the financial year 2019-20.

Financial Year 2020 Compared to Financial Year 2019 (Based on Restated Financial Statements)

Total Income:

Total income for the financial year 2019-20 stood at Rs. 2,572.37 Lakhs whereas in Financial Year 2018-19 the same stood at Rs. 5,890.85 Lakhs representing a decrease of 56.33% due to drop in sales because of impact of COVID – 19 pandemic.

Revenue from Operations

During the financial year 2019-20 the net revenue from operation of our Company decreased to Rs. 2,499.23 Lakhs as against Rs. 5,837.91 lakhs in the Financial Year 2018-19 representing a decrease of 57.19%. Such decrease was due to decrease in Sales of products because of of impact of COVID – 19 pandemic.

Other Income:

During the financial year 2019-20 the other income of our Company increased to Rs. 73.14 Lakhs as against Rs. 52.94 lakhs in the Financial Year 2018-19 representing an increase of 38.16% which is mainly due to increase in Interest Income.

Total Expenses:

The Total Expenditure for the financial year 2019-20 decreased to Rs. 2,458.94 Lakhs from Rs. 5,602.55 lakhs in the Financial Year 2018-19 representing a decrease of 56.11%.

Cost of Materials Consumed

The Cost of Materials Consumed for the financial year 2019-20 increased to Rs. 1,106.12 Lakhs from Rs 1,079.86 Lakhs for the financial year 2018-19, representing an increase of 2.43% from the previous year.

Purchase of Stock in trade:

The Purchase of Stock in Trade for the year 2019-20 decreased to Rs. 481.36 Lakhs from Rs 2,985.00 Lakhs for the 2018-19, representing a decrease of 83.87% to the previous year, which is primarily due to decrease in trading activities of the company.

Employee benefits expense:

Our Company has incurred Rs. 740.57 Lakhs as Employee benefits expense during the financial year 2019-20 as compared to Rs. 678.66 Lakhs in the financial year 2018-19. The increase of 9.12% was due to increase in remuneration.

Finance costs:
These costs were for the financial Year 2019-20 decreased to Rs. 169.96 Lakhs as against Rs 177.20 Lakhs during the financial year 2018-19. Thus, there is a decrease of 4.09% due to fall in Interest expense on borrowings.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2019-20 stood at Rs. 139.19 Lakhs as against Rs. 129.05 Lakhs during the financial year 2018-19 representing an increase of 7.86%

Other Expenses:

Our Company has incurred Rs. 780.01 Lakhs during the Financial Year 2019-20 on other expenses as against Rs. 784.00 Lakhs during the financial year 2018-19 representing a decrease of 0.51%.

Restated Profit before tax:

Net profit before tax for the financial year 2019-20 was Rs. 113.43 Lakhs as compared to Net Profit before Tax of Rs. 288.30 Lakhs during the financial year 2018-19.

Restated profit after tax*:*

The Restated Profit after tax for the financial year 2019-20 was Rs. 74.61 Lakhs as compared to Restated Profit after Tax of Rs. 206.44 lakhs during the financial year 2018-19.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. ***Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. Except as disclosed in this Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

2. ***Significant economic changes that materially affected or are likely to affect income from continuing operations.***

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. ***Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section "***Risk Factors***" beginning on page 29 of the Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Other than as described in the sections ***"Risk Factors"***, ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 29, 118 and 241 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. Total turnover of each major industry segment in which our Company operates

Please refer to the segment information in ***"Note 29F"*** – Segment information on page 219 of this Red Herring Prospectus.

6. Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter ***"Our Business"***, our Company has not announced any new product or service.

7. Seasonality of business

Our business is not affected by seasonal variations and adverse weather conditions.

8. Dependence on single or few customers or suppliers

Our business segment of defence is largely dependent on contracts from the GoI and associated entities including defence public sector undertakings and government organizations involved in related line of procurements. We have not entered into long term agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with them. Any reduction in business from them may adversely affect our business, financial condition, results of operations and future prospects.

9. Competitive conditions

Competitive conditions are as described under the Chapters "***Industry Overview***" and "***Our Business***" beginning on pages 103 and 118 respectively of this Red Herring Prospectus.

10. Details of material developments after the date of last balance sheet i.e. September 30, 2021.

After the date of last Balance sheet i.e. September 30, 2021, the following material events have occurred after the last audited period:

1. The Shareholder of the Company approved the conversion of the Company from Private Limited to Public Limited and consequently the name of the company was changed from "Krishna Allied Industries Private Limited" to "Krishna Allied Industries Limited" in its Extra Ordinary General Meeting held on September 27, 2021 and Fresh Certificate of Incorporation was issued by Registrar of Companies, Maharashtra, Mumbai on October 20, 2021.

2. Ms. Charmy Shah was appointed as a Company Secretary and Compliance officer of the Company with effect from October 22, 2021.

3. Our Company formed the Audit Committee ("Audit Committee"), the Stakeholders Relationship Committee, the Nomination and Remuneration Committee vide Board Resolution dated October 28, 2021.

4. Our Company has reconstituted the Corporate Social Responsibility Committee vide Board Resolution dated October 28, 2021.

5. The object clause of the MOA was changed vide fresh certificate issued by the Registrar of Companies, Maharashtra, Mumbai dated November 23, 2021.

6. We have passed a Board resolution in the meeting of Board of Directors dated November 26, 2021 authorizing the Board of Directors to raise funds by making an Initial Public Offering.

7. We have passed a special resolution in the meeting of shareholders dated November 30, 2021 authorizing the Board of Directors to raise funds by making an Initial Public Offering.

8. The Shareholders of the Company approved the Appointment of Statutory Auditor, M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W) of the company at the Annual General Meeting held on November 30, 2021

9. A special resolution was passed by the shareholders at the Extra Ordinary General Meeting held on November 01 2021 for change of name of the Company from "Krishna Allied Industries Limited" to "Krishna Defence and Allied Industries Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Maharashtra, Mumbai vide its letter dated December 07, 2021.

10. Mrs. Preyal Ankur Shah resigned from the directorship w.e.f. December 14, 2021 and was appointed as Chairperson and Additional Non-Executive Director w.e.f January 11, 2022 and regularized w.e.f. 14th March, 2022

11. Our Company has reconstituted the Audit Committee, the Corporate Social Responsibility Committee and the Nomination and Remuneration Committee w.e.f. January 11, 2022.

12. Our Company has approved the Audited Financial Statements for financial year ended September 30, 2021 at Board Meeting dated February 08, 2021

13. Our Company has approved the Restated Financial Statements for the period ended September 30, 2021 and financial year ended March 31, 2021, 2020 & 2019 in the Board meeting dated February 08, 2021

14. Our Company has approved the Draft Red Herring Prospectus vide resolution in the Board Meeting dated February 11, 2022

15. Our Company has approved the Red Herring Prospectus vide resolution in the Board Meeting dated March 16, 2022

CAPITALIZATION STATEMENT

(Amt. in Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	1,129.49	1,129.49
Long Term Debt (B)	1,227.85	1,227.85
Total debts (C)	**2,357.34**	**2,357.34**
Shareholders' funds		
Equity share capital	840.00	*
Reserve and surplus	1,084.89	*
Total shareholders' funds	**1,924.89**	*
Long term debt / shareholders' funds	0.64	*
Total debt / shareholders' funds	1.22	*

(*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

Notes:

1. Long term Debts represent debts other than Short term Debts as defined in Annexre H.
2. The figures of Short Term Debts and Long Term Debts are based on Restated statement of Assets and Liabilities of the Company as at 30.09.21.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (I) criminal proceedings, (II) actions taken by regulatory or statutory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five financial years, including outstanding action, (IV) claims related to direct and indirect taxes, and (V) other pending litigation which are determined to be material as per the policy adopted by our Board ("**Materiality Policy**"), in each case involving our Company, Promoters and Directors, (the "**Relevant Parties**").*

For the purpose of (V) above, our Board has considered and adopted a policy of materiality for identification of material litigation in terms of the SEBI (ICDR) Regulations, 2018 as amended for disclosure of all pending litigation involving the Issuer, its directors and promoters, other than criminal proceedings, statutory or regulatory actions and taxation matters where the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements of the Company or such litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company.

The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 10.00% of the Company's trade payables for the last audited financial statements.

PART 1: LITIGATION RELATING TO OUR COMPANY:

A. FILED AGAINST OUR COMPANY:

1. Litigation Involving Criminal Laws-Nil

2. Litigation involving Actions by Statutory/Regulatory Authorities

Employees' Provident Funds And Miscellaneous Provisions Act, 1952.

On 01.01.2018, Enforcement Officer, EPFO, Vadodara had conducted an inspection of the Kalol premises of the company based on the complaint of 13 employees. The company has thereafter received the Show Cause Notice from Employees Provident Fund Organization dated 01.10.2018 u/s 7A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 stating that further information is not provided by the company and it has failed to pay the provident fund for the employees in the company for the period from April 2011 to August 2018. The matter is listed for hearing on 17.03.2022. The matter is pending final hearing and adjudication.

3. Litigation involving Tax Liabilities:-

1. **Direct Tax -** Nil
2. **Indirect Tax -** Nil

4. Other Pending Litigation-Nil

B. CASES FILED BY OUR COMPANY:

1. Litigation Involving Criminal Laws -Nil

2. Litigation involving Actions by Statutory/Regulatory Authorities

Krishna Allied Industries Private Limited against Amarsinh Chaggan Sinh Solanki

The Company has filed an Appeal no. 3/2019 (reference [T] in the work of S. No. 52/2007) in Meherban Panchmahal District Labor Court before Chief Officer, Labor Court of Godhra against the award passed by Chief Officer, Labor Court Godhra, on 12.11.2018 against the company for reinstatement of Mr. Amarsinh Chaggan including 50% pay of the fallen days and payment of Rs. 4000/- compensation as reference cost. The matter is currently pending adjudication and the last date of hearing was on April 26, 2022.

3. Litigation involving Tax Liabilities

i. Direct Tax Liabilities - Nil

ii. Indirect Tax Liabilities

Gujarat Value Added Tax - Assessment Year 2015-16, 2016-17 and 01.04.2017 to 30.06.2017

For Assessment Year 2015-16, 2016-17 and 01.04.2017 to 30.06.2017, Dispute Application before the Ld. Deputy State Tax Commissioner Dispute- 6, Vadodara has issued order of stay with order no. 323/24 dated 25.05.2021, 324/26 dated 25.05.2021 and 327/28 dated 25.05.2061 for an amount of Rs. 28,70,001/-, Rs. 4,87,159/- and Rs. 274728/- for asstt year 2015-16, 2016-17 and till 30.06.2017 respectively applicable till 31.12.2021. The company has already paid 10% of the demand and has also submitted the requisite C forms as required under the assessment. A further three months extension is being sought by the Company for satisfaction of the said Demand.

4. Other Pending Litigation

Chapter V of The Micro Small Medium Enterprises Development Act – 2006

The Company has filed an Application no. MSME-D/MSEFC/DP-1616/814 on October 26, 2020 under Chapter – V of the Micro Small Medium Enterprises Development Act – 2006 against M/s Andhra Pradesh Classes Co-Operative Finance Corporation Limited to MSME Facilitation Council for outstanding amount of Rs. 77,84,022/- along with interest of Rs. 12,22,902/- to be paid against the goods supplied. The Hon'ble MSEFC vide its Order dated 17.01.2022 has directed both the parties to commence the Conciliation proceedings u/s 18(2) of the MSMED Act, 2006 before the GCCI-ADRC.

PART 2: LITIGATION RELATING TO DIRECTORS AND PROMOTERS OF OUR COMPANY:

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS:

1. Litigation Involving Criminal Laws-Nil

2. Litigation involving Actions by Statutory/Regulatory Authorities-Nil

3. Litigation involving Tax Liabilities:-

i. Direct Tax Liabilities-Nil

(a) Income Tax:

Ankur Ashwin Shah for AY 2011-12

The assessee has filed an application u/s 54 on 11.11.2021 for rectification of error to Dy. Commissioner of Income tax, panchmahal circle, Godhra for the Asstt Year 2011-12 against the demand order of Rs. 6,99,573/- assessed U/s 143 (3) dated 17.02.2014. The assessee has submitted that vide an order dated 25.05.2016 passed by Honorable CIT (A) bearing appeal no. CAB/4-331/2014-15, a relief of Rs. 6,15,814/- is awarded in favour of the assessee and thus, the demand may therefore be rectified. The matter is pending adjudication.

ii. Indirect Tax Liabilities

Preyal Ankur Shah FY 2015 to June 2017

Ms. Preyal Ankur Shah has received Show Cause Notice No. CGST&CX/MC/Dn-II/ITR-TDS/15-16/PREY/219/2020-21/2634 dated 22.11.2021 for short payment of service tax to an amount of Rs. 401,395/- calculated on the basis of best judgement assessment for the difference in ITR and ST 3 available with the department for the period April 2015 to June 2017. That the assess along with her reply attended the hearing on 08.12.2021 submitted the detail that the ITR represent both the Sales turnover of trading of good and services provided during the year and submitted the reconciliation between ITR and ST3 clarifying that the income of the assessee do not fall under the taxable category. The amount of liability in the matter will be Rs. 401,395/- towards service tax. The matter is pending final adjudication.

4. Other Pending Litigation-Nil

B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTERS:

1. Litigation Involving Criminal Laws-Nil

2. Litigation involving Actions by Statutory/Regulatory Authorities-Nil

3. Litigation involving Tax Liabilities:-Nil

4. Other Pending Litigation-Nil

AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:

The Board of Directors of our Company considers dues exceeding 10% of the trade payables for the last audited financial statements to small-scale undertakings and other creditors as material dues for our Company. As on September 30, 2021 there are approximately 2 creditors to whom our Company owes amounts exceeding 10% of our Company's Trade Payables and the aggregate outstanding dues to them being approximately Rs. 445.43 Lakhs. As on September 30, 2021, our Company owes amounts aggregating to Rs 986.30 Lakhs approximately towards Trade Payables as per Restated Financial Statements, out of which an amount of Rs 115.90 Lakhs is due to micro and small scale undertakings. For the balance Trade payables, our Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year-end together with interest payable as required under the said Act have not been furnished. There are no disputes with such entities in relation to payments to be made to them. The details pertaining to amounts due towards such creditors are available on the website of our Company i.e. http://www.krishnaallied.com

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in Chapter titled ***"Management's Discussion & Analysis of Financial Conditions & Results of Operations"*** beginning on page 241 of this Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary 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 and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.

In view of the approvals listed below, we can undertake this issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

I. Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue:

Corporate Approvals:

a. Our Board, pursuant to its resolution dated November 26, 2021 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;

b. The shareholders of our Company have, pursuant to their resolution passed at the Annual General Meeting of our Company held on November 30, 2021 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;

c. Our Board approved theDraft Red Herring Prospectus pursuant to its resolution dated February 11, 2022;

d. Our Board approved this Red Herring Prospectus pursuant to its resolution dated March 16, 2022;

Approval from the Stock Exchange:

e. In-principle approval letterRef.: NSE/LIST/1536 dated March 10, 2022from the NSE Emerge for using the name of the Exchange in the issue documents for listing of the Equity Shares issued by our Company pursuant to the issue.

Agreements with NSDL and CDSL:

f. The company has entered into an agreement dated September 22, 2021 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.

g. Similarly, the Company has also entered into an agreement dated September 17, 2021 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.

h. ISIN No.: INE0J5601015

II. Incorporation related Approvals

Sr No	Nature of Registration/ License	CIN	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1	Certificate of Incorporation as 'Krishna Allied Industries Private Limited' under Part IX of Companies Act, 1956	U74900MH2013PTC248021	Companies Act, 1956	Registrar of Companies, Maharashtra, Mumbai	September 10, 2013	Valid till cancelled
2	Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company	U74900MH2013PLC248021	Companies Act, 2013	Registrar of Companies, Maharashtra, Mumbai	October 20, 2021	Valid till Cancelled
3.	Fresh Certificate of Incorporation consequent to change in name from Krishna Allied Industries Limited to Krishna Defence and Allied Industries Limited	U74900MH2013PLC248021	Companies Act, 2013	Registrar of Companies, Mumbai	December 07, 2021	Valid till cancelled

III. Corporate/General Authorizations:

Sr. No.	Nature of Registration/ License	Registration/License No.	Applicable Laws/Authority	Issuing Authority	Date of issue	Date of Expiry
1	Permanent Account Number	AAFCK3430J	Income Tax Act, 1961	Commissioner of Income Tax	November 07, 2013	Valid till cancelled
2	Tax Deduction and Collection Account Number	MUMK23524E	Income Tax Act, 1961	Income Tax Department	October 30, 2013	Valid till cancelled
3.	Registration Certificate for Production of Defence Stores with Directorate	DQAN/REGN/43/2O	Governmentof India, Ministry of Defence	Rear Admiral, Addl. DGQA (Naval)	Jan 01, 2021	Valid till Dec 31, 2023

	General of Quality Assurance and Directorate of Quality assurance (Naval)					
4.	Certificate of Importer and Exporter Code (IEC)	0314032801	The Foreign trade (Development and Regulation) Act, 1992	Assistant Director General of Foreign Trade	August 05, 2014	Valid till cancelled
5.	SIDM Membership Certificate	SIDM-PM-2020-0350	-	Society of Indian Defence Manufacturers	-	Mar 31, 2022
6.	Professional Tax Registration	27715292314P	Maharashtra State Tax On Professions, Trades, Callings and Employments Act,1975.	Profession Tax Officer, Registration Branch, Mumbai	September 01, 2013	Valid till cancelled
7.	Government Purchase Enlistment Certificate and Store Details Certificate	NSIC/GP/AHM/2014/0010319	National Small Industries Corporation	Authorized Signatory	January 23, 2021	January 22, 2023
8.	Registration Certificate of Goods & Service Tax (GST)	24AAFCK3430J1ZQ	Central Goods and Services Tax Act, 2017& Gujarat Goods and Service Tax Act, 2017	Central Government and Gujarat State Government	September 19, 2017; valid from July 01, 2017	Valid till Cancelled

IV. Approvals obtained in relation to business operations of our Company

Our Company requires various approvals and/or licenses to carry on our business. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

i) Factory-1 (121/9 & 20, GIDC Industrial Estate, Kalol, Dist. Panchmahal-389330, Gujarat, India.)

Sr No	Nature of License/Approval	Registration/ License No.	Applicable Laws	Issuing Authority	Date of granting License/ Approval	Validity
3.	Factory License	26738	Factory Act, 1948	Deputy Director Industrial	July 05, 2013	December 31, 2025

				Safety and Health, Godhara		
2.	Udyog Aadhar	GJ17B0000395	MSME Development Act, 2006	Ministry of Micro, Small and Medium Enterprises	February 10, 2017	Valid till cancelled
4.	Consolidated Consent & Authorization	AWH-25411	Water (Prevention and Control 6f Pollution) Act-1974 and Air (Prevention and Control of Pollution) Act,1981and Hazardous and Other Wastes (Management and Transboundary Movement) Rules 2016	Gujarat Pollution Control Board(Regional Officer, Godhra)	September 07, 2017	Valid till March 31, 2022

ii) Factory-2 (503A, GIDC Industrial Estate, Halol, Dist. Panchmahal-389350, Gujarat, India.)

Sr No	Nature of License/Approval	Registration/ License No.	Applicable Laws	Issuing Authority	Date of granting License/ Approval	Validity
1.	Factory License	License No: 20621 Registration No: 2255/28999/2012	Factory Act, 1948	Deputy Director Industrial Safety & Health, Godhara	June 19, 2012	December 31, 2022
1.	Consent to Establish CTE – Amendment – 107785/NOC of Pollution Control Board	GPCB/CCA-PN-581/1D:38508	Water (Prevention and Control of Pollution) Act-1974 and Air (Prevention and Control of Pollution) Act,1981and Hazardous and Other Wastes (Management and Transboundary Movement) Rules 2016	Gujarat Pollution Control Board, Unit Head, Godhra	April 20, 2020	April 14, 2025

2.	Certificate of Steel Mills (Facility and Process Approval for manufacturing section components of marine applications)	STML-T1693362	American Bureau of Shipping	Chief Metallurgist, ABS	November 08, 2017	November 07, 2022
3.	UDYAM Registration Certificate	UDYAM-GJ-17-0000608	MSME Development Act, 2006	Ministry of Micro, Small and Medium Enterprises	December 07, 2020	Valid till cancelled
4.	Works Approval Certificate for Manufacturing of DMR 249AGrade Hot Rolled Steel Bulb Bar	2017WAC 012	Indian Register of Shipping	Principal Surveyor	April 11, 2017	April 10, 2022
5.	Registration as 'Principal Employer' under Contract Labour (Regulation and Abolition) Act, 1970	DHD/2018/ CLRA/21	Contract Labour (Regulation and Abolition) Act, 1970	Asstt Labour Commissioner office, Godhara	December 23, 2021	Valid till cancelled

V. Labour related Approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of Issue/Valid from	Date of Expiry
1	Registration under Employees' Provident Funds	VDBRD0021472000	Employee's Provident Funds & Miscellaneous Provisions Act, 1952	Office of Sub-Regional Provident Fund Commissioner	Not Applicable	Valid till cancelled
2.	Registration under Employees' State Insurance Corporation (ESIC) for Factory-1 (121/9 & 20, GIDC Industrial Estate, Kalol, Dist. Panchmahal-	38000208510000699	Employees' State Insurance Act, 1948	Regional Director, Employees State Insurance Corporation,	Not Applicable	Valid till cancelled

	389330, Gujarat, India.)					
3.	Registration under Employees' State Insurance Corporation (ESIC) for Factory-2 (503A, GIDC Industrial Estate, Halol, Dist. Panchmahal-389350, Gujarat, India.)	38380208510010699	Employees' State Insurance Act, 1948	Deputy Director, ESIC, SRO, Baroda	June 19, 2012	Valid till cancelled
4.	Professional Tax Registration	302001602	Gujarat State Tax On Professions, Trades, Callings and Employments Act,1976.	Asstt District Registrar Godhra	June 30, 2014	Valid till cancelled

VI. Quality Certifications:

For Factory-1 (Kalol) and Factory-2 (Halol)

Sr. No.	Registration/ License	Nature of Registration	License No	Issuing Authority	Date of issue	Date of Expiry
1	ISO 9001:2015	Quality Management System for following scope of activities: Manufacturer and Exporter of Stainless Steel Milk Cans, Milking Machine, Milk Coolers, Dairy and Kitchen Equipments, Milk Testing Equipments, Galley Equipments, Shipbuilding Steel Bulb Bars, Modular Vehicle Barrier & Automatic Tyre Killer	304920022907Q	QRO Certification LLP	February 29, 2020	February 28, 2023

VII. Intellectual property related approvals

The details of Trademarks used by our Company are:-

Sr No	Brand Name Logo/ Trademark	Class	Nature of Trademark/Patent	Owner	Application Number and Date	Status
1	Trademark Ki- Krishna Allied Industries P Ltd	6	Ki- Krishna Allied Industries Private Limited	Krishna Allied Industries Private Limited	App. No. 4565040 Dated: July 10, 2020	Objected
2	Trademark	6	K KRISHNA KRISHNA		App No: 5272791 Dated: January 04, 2022	Objected
3	Trademark	11	K KRISHNA KRISHNA		App No: 5272792 Dated: January 04, 2022	Objected

The details of Patent registered in the name of our Company are:-

Sr No	Patentee	Patent No	Nature of Patent	Issuing Authority	Application Number and Date	Date of Grant	Validity
1	Krishna Allied Industries Private Limited	374438	Patent Granted for an invention entitled AUTOMATED MILK ANALYSIS AND COLLECTION APPARATUS	Government Of India Controller of Patent The Patent Office	App. No. 3372/MUM/2015 Dated: September 09, 2015	August 12, 2021	Valid for the term of 20 years

VIII. APPLICATIONS MADE PENDING RENEWAL

1. Our Company made an application dated November 30, 2021 renewal of Registration as approved vendor with Defence Metallurgical Research Laboratory against Vendor Code -DMRL/MMD/VR/mfg-12/16-17/64, Dated: 09-Jan-2017

2. Our Company has made an application for regiseration under the Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 for our Regional Office at Vadodara, which is pending approval.

IX. APPLICATIONS YET TO BE MADE

1. The Company is yet to apply for change of its name in all permits, licenses and approvals, which has been obtained under the Company's former name.

OUR GROUP COMPANIES

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered those companies as our Group Company with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years or the stub period (if any) and such other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated November 26, 2021 for the purpose of disclosure in relation to Group Company in connection with the Issue, a company shall be considered material and disclosed as a Group Company if such company fulfils both the below mentioned conditions: -

(i) Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI(ICDR)Regulations; and

(ii) Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of total revenue of the company as per Restated Financial Statements.

Based on the above, the following Companies are identified as our Group Companies: -

1. Krish Commodities (India) Private Limited
2. Krish Industries Private Limited
3. White Gold Technologies LLP

The details of our Group Company are provided below:

1. Krish Commodities (India) Private Limited

Corporate Information -

Brief Description of Business	Engaged in trading of agricultural products, food grains, and metals or other commodities.		
Date of Incorporation	April 27,2005		
CIN	U51100MH2005PTC152860		
PAN	AACCK5687L		
Registered Office	9/25 A-Chandanwadi138 C P Tank Road Mumbai-4 Mumbai Maharashtra 400004 India.		
Board of Directors*	**Name of Directors**		**DIN**
	Mr.AnkurAshwin Shah		01166537
	Mrs. PreyalAnkur Shah		06966962
	(Rs. in Lacs, rounded off except per share data)		
Audited Financial Information	**For The Year Ended**		
	March 31, 2021	**March 31, 2020**	**March 31, 2019**
Equity Share Capital	67.62	67.62	67.62
Reserves and Surplus	(9.77)	(9.46)	(8.87)
Sales	-	-	-
Profit/ (Loss) after tax	(0.30)	(0.59)	(0.70)
Basic and Diluted Earnings per share (face value of Rs. 10 each) (based on Weighted Average number of Shares)	-	-	-
Net asset value per share (Rs) (based on Actual Number of Shares)	8.56	8.60	8.69

**As on date of this Red Herring Prospectus*

The shareholding pattern of KrishCommodities (India) Private Limitedas on the date of this Red Herring Prospectus is as mentioned below: -

Sr. No.	Name of Shareholders	No. of shares	% Percentage
Equity Shareholders			
1	Mr. Ankur Ashiwn Shah	6,26,200	92.61%
2	Mrs. Pallavi Ashwin Shah	50,000	7.39%
	Total	**676200**	**100.00%**

Nature and extent of interest of our Promoter

Our Promoter Mr. Ankur Ashwin Shah and our Promoter Group Member Mrs. Pallavi Ashwin Shah are interested to the extent of their shareholding.

Krish Commodities (India) Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company under the meaning of SICA or Insolvency and Bankruptcy Code, 2016 nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offencesagainst the Company.

2. Krish Industries Private Limited

Corporate Information -

Brief Description of Business	Engaged in manufacturing and trading of milk collection dairy equipment's and utensils and steel sections, circles, sheets etc.		
Date of Incorporation	October12, 2007		
CIN	U29251MH2007PTC174964		
PAN	AADCK2426J		
Registered Office	9/25 A-Chandanwadi 138 C P Tank Road Mumbai-4 Mumbai Maharashtra 400004 India.		
Board of Directors*	**Name of Directors**		**DIN**
	Mr. AnkurAshwin Shah		01166537
	Mrs. PreyalAnkur Shah		06966962
	(Rs. in Lacs, rounded off except per share data)		
Audited Financial Information	**For The Year Ended**		
	March 31, 2021	**March 31, 2020**	**March 31, 2019**
Equity Share Capital	130.00	130.00	130.00
Reserves and Surplus	68.14	63.21	56.81
Sales	209.06	340.02	575.48
Profit/ (Loss) after tax	4.93	6.40	10.48
Basic and Diluted Earnings per share (face value of Rs. 10 each) (based on Weighted Average number of Shares)	0.38	0.49	0.81
Net asset value per share (Rs) (based on Actual Number of Shares)	15.24	14.86	14.37

**As on date of this Red Herring Prospectus*

The shareholding pattern of Krish Industries Private Limited as on the date of this Red Herring Prospectus is as mentioned below: -

Sr. No.	Name of Shareholders	No. of shares	Percentage %
Equity Shareholders			
1	Mr.AnkurAshwinShah	8,68,500	66.81%

2	Mrs.PallaviAshwinShah	1,81,500	13.96%
3	Krish Commodities India Pvt Ltd	1,66,000	12.77%
4	AnkurAshiwn Shah HUF	46,500	3.58%
5	Mrs.PreyalAnkurShah	37,500	2.88%
	Total	**13,00,000**	**100.00%**

Nature and extent of interest of our Promoter

Our Promoter Mr. AnkurAshwin Shah and our Promoter Group Member Mrs. PallaviAshwin Shah, Mrs. PreyalAnkur Shah, AnkurAshwin Shah HUF and Krish Commodities India Private Limited are interested to the extent of their shareholding.

Krish Industries Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company under the meaning of SICA or Insolvency and Bankruptcy Code, 2016 nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

3. WHITE GOLD TECHNOLOGIES LLP

Corporate Information -

Brief Description of Business	Engaged in Manufacturing and Trading of Machines and equipments with latest Technology, having application in Dairy Industry.		
Date of Incorporation	September 16, 2016		
LPIN	AAH-4141		
PAN	AACFW4260A		
Registered Office	36, 4th Floor, NirmalNiwas No. 2, 79/81, Gowalia Tank Road, Mumbai City , Mumbai-Maharastra-400036 India.		
Designated Partners*	**Name of Designated Partners**		**DPIN**
	Mrs. PallaviAshwin Shah		06966942
	Mrs. PreyalAnkur Shah		06966962
	Mr. Sandeep Ramrao Kadam		06841164
	Mr. Suvendu Banerjee		06841783
	(Rs. in Lacs, rounded off except per share data)		
Audited Financial Information	**For The Year Ended**		
	March 31, 2021	**March 31, 2019**	**March 31, 2018**
Partner's Capital Account	6.59	23.87	24.20
Sales	36.25	6.36	41.77
Profit/ (Loss) after tax	(17.28)	0.42	2.11

**As on date of this Red Herring Prospectus*

The Capital Contribution of White Gold Technologies LLPas on the date of this Red Herring Prospectus is as mentioned below: -

Sr. No.	Name of Partners	Contribution	% Percentage
1	Mrs.PallaviAshwin Shah	45000	45.00
2	Mrs.PreyalAnkur Shah	45000	45.00
3	Mr.Sandeep Ramrao Kadam	5000	5.00
4	Mr.Suvendu Banerjee	5000	5.00

	Total	**100000**	**100.00**

Nature and extent of interest of our Promoter

Our Promoter Group Members Mrs. Pallavi Ashwin Shah and Mrs. Preyal Ankur Shah are interested to the extent of their capital contribution.

White Gold Technologies LLP is an unlisted entity and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Entitywithin the meaning of SICA or Insolvency and Bankruptcy Code, 2016 nor is under winding up.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against this entity.

Loss Making Company

Except for KrishCommodities (India) Private Limited, none of our group companies are loss making companies.

Negative Net-worth Company

None of our Group Companies have negative net worth.

Litigations

Our Group Companies do not have any pending litigation which will have material impact on our Company.

Common Pursuits/Conflict of Interest

Our Group Companies, White Gold Technologies LLP and Krish Industries Private Limitedare engaged in the similar line of business as of our Company.

As on the date of this Red Herring Prospectus, we cannot assure that our Promoter, Promoter Group/Group Entities or Group Companies will not promote any new entity in the similar line of business and will not favor the interests of the said entities over our interest or that the said entities will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Defunct / Strike-off Company

Our Group Companies have not remained defunct and no application has been made to the RoC for striking off the name of any of the Group Companies during the five years preceding the date of this Red Herring Prospectus.

Undertaking / confirmations

None of our Promoter or Promoter Group or Group Companies or person in control of our Company has been

i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or

ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoter, person in control of our Companyhave ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoter, the relatives of our individual Promoter (as defined under the Companies Act) nor our Group Companies /Promoter Group entities have been declared as a willful defaulteror a fraudulent borrower by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

None of our Promoter, Promoter Group or the Group Companies has become sick Companies under the SICA and no application has been made in respect of any of them, to the Registrar of Companies for striking off their names. Further no winding up proceedings have been initiated against the Promoter or the Group Companies

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

Our Board has approved the Issue pursuant to the resolution passed at its meeting held on November 26, 2021 and our Shareholders have approved the Fresh Issue pursuant to the resolution passed at their meeting held on November 30, 2021 under Section 62(1)(c) of the Companies Act, 2013.

In-principal Approval

Our Company has obtained in-principal approval from the NSE Emerge for using its name in the Red Herring Prospectus/ Prospectuspursuant to an approval letter Ref.: NSE/LIST/1536 dated March 10, 2022,from NSE which is the Designated Stock Exchange.

Prohibition by SEBI, RBI or governmental authorities

We confirm that our Company, our Promoter, our Promoter Group, our Directors, person(s) in control of the promoter, our Group Companies or the natural person(s) in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

The companies, with which our Directors are or were associated as promoter, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

None of our Directors or the entities that our Directors are associated with as promoter or directors are inany manner associated with the securities market and there has been no action taken by the SEBI against our Directors or any entity in which our Directors are associated with as promoter or directors.

Prohibition with respect to willful defaulters or a fraudulent borrower

Neither our Company, our Promoter, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as willful defaulters or a fraudulent borroweras defined by the SEBI ICDR Regulations, 2018.

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

Under the SBO Rules certain persons who are 'significant beneficial owners', are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Red Herring Prospectus, Ankur Ashwin Shah is the beneficial owner of Ankur Shah HUF, Ashwin Shah HUF, Krish Commodities (India) Private Limited and Krish Industries Private Limited

Eligibility for the Issue

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this issue is an Initial Public Offer in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than 10 crore rupees but less than 25 crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the

Small and Medium Enterprise Exchange (in this case being the **"NSE Emerge"**).

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled ***"General Information – Underwriting"*** beginning on page 67 of this Red Herring Prospectus.

2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.

3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the offer document along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the offer document with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Offer Document.

4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the NSE Emerge. For further details of the arrangement of market making please refer to section titled ***"General Information – Details of the Market Making Arrangements for this Issue"*** beginning on page 68 of this Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company shall mandatorily facilitate trading in Demat securities and has entered into an agreement with both the depositories.

2. Our Company has a website i.e. https://krishnaallied.com

   We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the NSE Emerge:-

3. There has been no change in the promoter's of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

   We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the NSE Emerge.

Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 in the name and style of "M/s. Krishna Industries", pursuant to a deed of partnership entered between Mr.Ankur Ashwin Shah, Mrs. Pallavi Ashwin Shah and Mr. Bhadresh Sanatkumar Joshi in 1997. Later the partnership firm was dissolved by mutual consent of the partners w.e.f March 31, 2002 vide dissolution deed dated April 01, 2002 and the business of M/s. Krishna Industries was taken over by Mr.Ankur Ashwin Shah as a Proprietor. Thereafter a deed of partnership dated April 05, 2011 was formed between Mr. Ankur Ashwin Shah, Late Mr. Ashwin Natwarlal Shah, Mr. Dilip Natwarlal Shah, Mr. Kiran Brijmohandas Shah, Mr. Chetan Kuberdas Dharia, M/S Krish Commodities (India) Private Limited and M/S Krish Industries Private Limited to admit as partners in the proprietorship business running

in the name and style of "Krishna Industries" w.e.f April 01, 2011. Later the partnership firm was registered under the Indian Partnership Act 1932 with Registrar of Firms, Mumbai vide Registration certificate dated January 05, 2013.Further "M/s Krishna Industries" was converted from partnership firm to a Private Limited Company under Part IX of Companies Act, 1956 in the name of "Krishna Allied Industries Private Limited" vide Certificate of Incorporation dated September 10, 2013, bearing registration No. 248021 issued by Registrar of Companies, Maharashtra, Mumbai and CIN No. U74900MH2013PTC248021. Subsequently our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on September 27, 2021 and the name of our Company was changed from "Krishna Allied Industries Private Limited" to "Krishna Allied Industries Limited" vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated October 20, 2021by the Registrar of Companies, Mumbai bearing Corporate Identification Number U74900MH2013PLC248021.Therafter the name of the Company was changed from "Krishna Allied Industries Limited" to "Krishna Defence and Allied Industries Limited" pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on November 01, 2021 and consequent to name change a fresh Certificate of Incorporation was granted to our Company on December 07, 2021 by the Registrar of Companies, Mumbai.

1. The post issue paid up capital of the company will be 1,14,48,000 shares of face value of Rs.10/- aggregating up to Rs. 11,44,80,000 which is less than Rs. 25 Crores.

2. The Company has a track record of at least 3 years as on the date of filling Red Herring Prospectus.

3. The Company has positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth as on September 30, 2021 is positive.

(Amt. in Lakhs)

Particular	Period ending September 30, 2021	For the year ending		
		March 31, 2021	March 31, 2020	March 31, 2019
Net worth	1,924.89	1,802.78	1,609.13	1,534.52
Earnings before interest, depreciation and tax	297.87	458.10	349.45	541.61

4. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter, Group Companies, companies promoted by the promoter of the Company;

5. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);

6. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.

7. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

8. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT / OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS

PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT.THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGESITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 11, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A)OF THE SEBI (ICDR),REGULATION 2018.

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the BRLM any irregularities or lapses in the offer document.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus/ Prospectus with the Registrar of Companies, Mumbai, Maharashtra in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Opening Price on listing date	+/-% change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
1.	Gian Life Care Limited	3.1152	22.00	January 13, 2020	22.00	-36.36% [-0.70%]	-40.00% [-27.42%]	17.27% [-13.21%]
2.	Hindprakash Industries Limited	11.52	40.00	January 27, 2020	41.00	2.50% [-3.64%]	0.50% [-23.41%]	6.54% [-7.32%]
3.	SM Auto Stamping Limited	6.912	18.00	March 16, 2020	18.00	0.00% [-3.22%]	-5.56% [5.86%]	-32.78% [24.05%]
4.	Suratwwala Business Group Limited	6.90	15.00	August 13, 2020	15.45	6.67% [1.38%]	46.67% [13.79%]	210.00% [33.98%]

5.	Knowledge Marine & Engineering Works Limited	10.12	37.00	March 22, 2021	38.00	0.68% [-3.40%]	31.08% [5.63%]	14.59% [17.52%]
6.	EKI Energy Services Limited	18.60	102.00	April 07, 2021	140.00	225.20% [-0.92%]	608.48% [6.44%]	3029.41% [19.41%]
7.	DU Digital Technologies Limited	4.485	65.00	August 26, 2021	60.00	53.85% [7.32%]	113.85% [4.68%]	257.85% [2.74%]
8.	Prevest Denpro Limited	26.61	84.00	September 27, 2021	180.55	186.61% [1.77%]	270.83% [-4.92%]	NA
9.	Jainam Ferro Alloys (I) Limited	19.61	70.00	October 08, 2021	73.00	3.57% [0.97%]	21.43% [-0.83%]	NA
10.	Shri Venkatesh Refineries Ltd.	11.71	40.00	October 11, 2021	42.00	9.50% [0.36%]	47.88% [-0.65%]	NA

Source: Price Information www.bseindia.com.&www.nseindia.com , Issue Information from respective Prospectus.

Summary statement of Disclosure:

Financial Year	**Total no. of IPOs**	**Total amount of funds raised (Rs. Cr.)**	**No. of IPOs trading at discount- 30th calendar days from listing**			**No. of IPOs trading at Premium- 30th calendar days from listing**			**No. of IPOs trading at discount- 180th calendar days from listing**			**No. of IPOs trading at Premium- 180th calendar days from listing**		
			Over 50 %	**Between 25-50 %**	**Less than 25 %**	**Over 50 %**	**Between 25-50 %**	**Less than 25 %**	**Over 50%**	**Between 25-50%**	**Less than 25 %**	**Over 50 %**	**Between 25-50 %**	**Less than 25%**
2019-20	6[1]	32.40	-	1	-	1	-	4	-	1	-	2	-	3
2020-21	2[2]	17.02	-	-	-	-	-	2	-	-	-	1		1
2021-22	5[3]	81.02	-	-	-	3	-	2	-	-	-	1	-	-

1) *The scrip of V R Films Limited, Evans Electric Limited, Gian life Care Limited was listed on April 30, 2019, May 13, 2019 and January 13, 2020 respectively. Further, the scrip of Hindprakash Industries Limited and SM Auto Stamping Limited was listed on January 27, 2020 and March 16, 2020 respectively.*

2) *The scrip of Suratwwala Business Group Limited and Knowledge Marine & Engineering Works Limited was listed on August 13, 2020 and March 22, 2021 respectively.*

3) *The scrip of EKI Energy Services Limited, DU Digital Technologies Limited, PrevestDenpro Limited, Jainam Ferro Alloys (I) Limited and Shri Venkatesh Refineries Ltd. was listed on April 7, 2021, August 26, 2021, September 27, 2021, October 08, 2021and October 11, 2021 respectively. And, the scrip of PrevestDenpro Limited, Jainam Ferro Alloys (I) Limited and Shri Venkatesh Refineries Ltd. have not completed its 180th day from the date of its listing.*

Note:

a) Based on date of listing.
b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
c) Prices on BSE/NSE are considered for all of the above calculations.

d) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
e) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
f) N.A. – Period not completed.
g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by lead manager are provided.

Track Record of past issues handled by Hem Securities Limited

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: www.hemsecurities.com.

Disclaimer from our Company and the Book Running Lead Manager

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in the advertisements or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Hem securities Limited), and our Company on February 10, 2022 and the Underwriting Agreement dated March 10, 2022 entered into between the Underwriter, and our Company and the Market Making Agreement dated March 10, 2022 entered into among the Market Maker and our Company.

All information shall be made available by our Company, and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates for which they have received and may in future receive compensation.

Note

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective Directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional

rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs.2,500.00 Lakhs and pension funds with a minimum corpus of Rs.2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the NSE Emerge

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1536 dated March 10, 2022, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever**.**

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulations under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Bidder where required agrees that such Bidder will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against

the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

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

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

A copy of the Red Herring Prospectus/ Prospectus along with copy of material contracts and material documents as mentioned on page 354 of this Red Herring Prospectus, will be delivered to the Registrar of Companies, Mumbai**,** 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra.

Listing

The Equity Shares of our Company are proposed to be listed on NSE Emerge. Our Company has obtained in-principle approval from NSE of India Ltd by way of its letter dated Ref.: NSE/LIST/1536 dated March 10, 2022,for listing of equity shares on NSE Emerge.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, all moneys received from the bidders in pursuance of this Red Herring Prospectus/ Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge mentioned above are taken within Six (6) Working Days of the Bid/ Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Bid/ Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from bidders, failing which interest shall be due to be paid to the bidders at the rate of 15% per annum for the delayed period.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or

to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013.

Consents

Consents in writing of Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Banker to the Company, Book Running Lead Manager, Registrar to the Issue, Banker to the Issue, Legal Advisor to the Issue, Sponsor Bank, Underwriter to the Issue and Market Maker to the Issue, Syndicate Member to act in their respective capacities have been be obtained as required under section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018, M/s. CNK & ASSOCAITES LLP, Chartered Accountants, Statutory Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC.

Experts Opinion

Except for the reports in the section titled ***"Financial Information of the Company" and "Statement of Tax Benefits"***on page 174 and 99 respectively of this Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert"" as defined under the U.S. Securities Act 1933.

Fees, Brokerage and Selling Commission payable

The total fees payable to the Book Running Lead Manager will be as per the (i) Agreement dated February 10, 2022 with the Book Running Lead Manager, (ii) the Underwriting Agreement dated March 10, 2022with the Underwriter and (iii) the Market Making Agreement dated March 10, 2022with the Market Maker, a copy of which is available for inspection at our Corporate Office from 10.00am to 5.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated December 16, 2021a copy of which is available for inspection at our Company's Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to the section titled ***"Capital Structure"*** beginning on page 71 of this Red Herring Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Previous capital issue during the last three years by listed Group Companies of our Company

None of our Group Companies are listed. Further, none of our Group Companies have made any capital issue of securities in the preceding three years.

Performance vis-à-vis objects

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

As on the date of this Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Partly Paid-Up Shares

As on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Red Herring Prospectus.

Option to Subscribe

a. Investors will get the allotment of specified securities in dematerialization form only.

b. The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

Stock Market Data for our Equity Shares

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

Investor Grievances and Redressal System

The agreement between the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and Demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of this Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be within 15 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Charmy Shah, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Ms. Charmy Shah
Address: 2nd floor office no·207·208 Atlantis Heritage,
Vadivadi Road, Sarabhai campus, Vadodara, Dist: Baroda·390023
Tel. No: +91 265 2960085
E-mail:cs@krishnaallied.com
Website: www.krishnaallied.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Our Board by a resolution on October 28, 2021 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled ***"Our Management"*** beginning on page 154 of this Red Herring Prospectus.

Status of Investor Complaints

We confirm that we have not received any investor compliant during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled ***"Statement of Tax Benefits"*** beginning on page 99

Capitalization of Reserves or Profits

Save and except as stated in ***"Capital Structure"*** on page 71 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation of assets

Our Company has not revalued its assets since incorporation.

Servicing Behaviour

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled ***"Our Management"***; and ***"Related Party Transactions"*** beginning on page 154 and 213 respectively, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

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

As on date of the Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, Prospectus, Bid-Cum-Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue shall use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid-Cum- Application Forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Authority for the Issue

The present Public Issue of upto 30,48,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on November 26, 2021 and was approved by the Shareholders of the Company by passing Special Resolution at the Annual General Meeting held on November 30, 2021 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please refer to ***"Main Provisions of Articles of Association of the Company"*** on page 322 of the Red Herring Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to ***"Dividend Policy"*** on page 173 of the Red Herring Prospectus.

Face Value and Issue Price and Price Band

The face value of each Equity Share is ₹ 10 and the Floor Price is ₹ [●] per Equity Share and the Cap Price is ₹ [●]

per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of Business Standard, an English national daily newspaper and all editions of Business Standard, a Hindi national daily newspaper and Mumbai editions of Navshakti, a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Offer Price shall be determined by our Company and in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & Notices to members
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled ***"Main Provisions of Articles of Association of the Company"*** beginning on page 322of the Red Herring Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being issued can be applied for in the dematerialized form only. In this context, two agreements shall be signed among our Company, the respective Depositories and Registrar to the Issue.

- Tripartite Agreement dated September 17, 2021 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated September 22, 2021 between CDSL, our Company and Registrar to the Issue; and

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Emerge from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful bidders in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

The minimum number of allottees in the issue shall be 50 shareholders .In case the number of prospective allottees is less than 50, no allotment will be made pursuant to this issue and the amounts in the ASBA Account shall be unblocked forthwith.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first bidder, along with other joint bidder, may nominate any one person in whom, in the event of the death of sole bidder or in case of joint bidder, death of all the bidders, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

1. To register himself or herself as the holder of the Equity Shares; or
2. To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the bidder would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The BRLM through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one

working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

Period of Subscription List of Public Issue:

Bid/Issue Program:	**Indicative Date**
Bid/Issue Opening Date	Friday, March 25, 2022
Bid/Issue Closing Date	Tuesday, March 29, 2022
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Friday, April 01, 2022
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about Monday, April 04, 2022
Credit of Equity Shares to Demat accounts of Allottees	On or about Tuesday, April 05, 2022
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Wednesday, April 06, 2022

(1) Our Company in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

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

Bid-Cum- Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue ClosingDate, the Bid-Cum-Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidders on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of syndicate members.

Minimum Subscription and Underwriting

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this issue document including devolvement of Underwriter within sixty days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled **"*General Information - Underwriting*"** on page 67 of this Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from NSE Emerge on a later date subject to the following:

If the Paid up Capital of the company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares issued through this issue are proposed to be listed on the NSE Emerge, wherein the Book Running Lead Manager to this issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the NSE Emerge.

For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker please refer to section titled***"General Information - Details of the Market Making Arrangements for this issue"***on page 68 of this Red Herring Prospectus.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge.

As per the extent Guideline of the Government of India, OCBs cannot participate in this issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Option to receive Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this issue.

Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- issue Equity Shares and Promoter minimum contribution in the issue as detailed under section titled ***"Capital Structure"*** beginning on page 71 of this Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled ***"Main Provisions of the Articles of Association"*** beginning on page 322 of this Red Herring Prospectus.

Pre-issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) All Editions of English National Newspaper, Business Standard; (ii) All editions of Hindi National Newspaper, Business Standardand (iii) Mumbai edition of Regional Newspaper, Navshakti each with wide circulation. In the pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject

to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

Jurisdiction

Exclusive jurisdiction for the purpose of this issue is with the competent courts / authorities in Mumbai, India. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be issued or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being issued or sold outside the United States in compliance with Regulation under the Securities Act and the applicable laws of the jurisdictions where those Issue and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than or equal to ten Crore rupees but less than twenty five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (***"SME Exchange"***, in this case being the SME platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled ***"Terms of the Issue"*** and ***"Issue Procedure"*** on page 277 and 288 of this Red Herring Prospectus.

The Issue comprises of a Public Issue of upto 30,48,000 Equity Shares of Face Value of 10/- each fully paid (The "Equity Shares") for cash at a price of Rs. [●] per Equity Shares (including a premium of Rs. [●] per equity share) aggregating to [●]Lakhs ("the issue") by our Company of which 1,56,000Equity Shares of Rs.10 each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 28,92,000 Equity Shares of Rs.10 each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 26.62% and 25.26% respectively of the post issue paid up Equity Share Capital of the Company.

Particulars of the Issue[2]	**Market Maker Reservation Portion**	**QIBs[1]**	**Non-Institutional Investors**	**Retail Individual Investors**
Number of Equity Shares available for allocation	Upto 1,56,000 Equity Shares	Not more than 14,43,000 Equity Shares	Not less than 4,35,000 Equity Shares	Not less than 10,14,000 Equity Shares
Percentage of Issue Size available for allocation	5.12% of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment[3]	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds	Proportionate	Proportionate

Particulars of the Issue[2]	Market Maker Reservation Portion	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
		only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to validBid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Mode of Allotment	Compulsorily in dematerialized form.			
Minimum Bid Size	1,56,000 Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid Size	1,56,000Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations,	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

Particulars of the Issue[2]	Market Maker Reservation Portion	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
	2018.			
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[4]			
Mode of Bid	Only through the ASBA process (except for Anchor Investors)			

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

(1) Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.
(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
(3) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.
(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under ***"Issue Procedure - Bids by FPIs"****on pages 298 and*having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be

issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

Bid/Issue Program:

Event	Indicative Date
Bid/Issue Opening Date	Friday, March 25, 2022
Bid/Issue Closing Date	Tuesday, March 29, 2022
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Friday, April 01, 2022
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about Monday, April 04, 2022
Credit of Equity Shares to Demat accounts of Allottees	On or about Tuesday, April 05, 2022
Commencement of trading of the Equity Shares on the Stock Exchange	On or about Wednesday, April 06, 2022

(1) Our Company in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:
a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual bidders.
c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual bidders, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.
It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid-Cum-application form of that Bidder may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI ("General Information Document") and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section "PART B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Bid Cum Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("UPI Phase III"), as may be prescribed by SEBI

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

This section applies to all the Bidders, please note that all the Bidders are required to make payment of the Full Application Amount along with the Bid Cum Application Form.

Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the "UPI Circulars") in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Bidder had the option to submit the Bid Cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein no reservation is being made for Qualified Institutional Buyers and the allocation to the public will be made as per Regulation 253 of the SEBI ICDR Regulations.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.

Bid cum Application Form

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Stock Exchange, the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue shall have to use UPI payment mechanism for application. The bid cum application form submitted by Non Retail Individual Investors (without using UPI), NIIs and QIBs must provide bidder's bank account details and authorization to block funds in the relevant space provided in the Bid cum Application Form. Further, Retail Individual Investors submitting bid cum application form using UPI shall mention the UPI of the his/her own Bank account in the bid cum application form in the relevant space and the Bid cum Application Forms that do not contain such details are liable to be rejected.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centers only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	**Colour***
Anchor Investor**	White
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

**Excluding Electronic Bid cum Application Form*

*** Bid cum application for for Anchor Investor shall be made available at the Office of the BRLM.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries")

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange.

UPI for payment:	Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

Availability of Red Herring Prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.
Bid cum application for for Anchor Investor shall be made available at the Office of the BRLM.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies.
Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: ―Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta‖. Applications by HUFs would be considered at par with those from individuals;
c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
d) Mutual Funds registered with SEBI;
e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
g) FPIs; VCFs and FVCIsregistered with SEBI;

h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-InstitutionalBidder 's category;
j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
k) Foreign Venture Capital Investors registered with the SEBI;
l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
p) Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
r) Multilateral and bilateral development financial institution;
s) Eligible QFIs;
t) Insurance funds set up and managed by army, navy or air force of the Union of India;
u) Insurance funds set up and managed by the Department of Posts, India;
v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. **For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. **For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits

prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders 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.

METHOD OF BIDDING PROCESS

a) Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standardand Mumbai Edition of Regional newspaper Navshaktiwhere the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

b) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Business Standard, all editions of Hindi national newspaper Business Standardand Mumbai Edition of Regional newspaper Navshaktiwhere the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.

c) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

d) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels and Revision of Bids" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

e) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "Buildup of the Book and Revision of Bids".

f) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form

g) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

h) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in "Escrow Mechanism - Terms of payment and payment into the Escrow Accounts" in the section ***"Issue Procedure"*** beginning on page 288

i) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronicmode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the BidAmount are available in the ASBA Account, as mentioned in the Bid cum Application Form,prior to uploading such Bids with the Stock Exchange.

j) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSBshall reject such Bids and shall not upload such Bids with the Stock Exchange.

k) If sufficient funds are available in the ASBA Account, the SCSB shall block an amountequivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

l) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted EquityShares to the Public Issue Account, or until withdrawal/failure of the Issue or untilwithdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis ofAllotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSBfor unblocking the relevant ASBA Accounts and for transferring the amount allocable to thesuccessful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, theblocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

(a) Our Company in consultation with the BRLM, and without the priorapproval of, or intimation, to the Bidders, reserves the right to revise the Price Band during theBid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the FloorPrice and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or downto the extent of 20% of the floor price disclosed. If the revised price band decided, falls withintwo different price bands than the minimum application lot size shall be decided based on theprice band in which the higher price falls into.
(b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

(c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desirednumber of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-offPrice. However, bidding at the Cut-off Price is prohibited for QIB and Non-InstitutionalBidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

(d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cumApplication Form along with a cheque/demand draft for the Bid Amount based on the Cap Pricewith the Syndicate. In case of ASBA Bidders

(excluding Non-Institutional Bidders and QIBBidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block anamount based on the Cap Price.

(e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

Participation by Associates /Affiliates of LM and the Syndicate Members

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

Option to Subscribe in the Issue

a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders:

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.

4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.

5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective DesignatedIntermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking

facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investorsat the offices of the BRLM.

2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount isat least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In caseof a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregatedto determine the minimum application size of 200.00 lakhs

3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed onthe same day.

5. Our Company in consultation with the BRLM, will finalizeallocation to the Anchor Investors on a discretionary basis, provided that the minimum andmaximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:

- where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of2 (two) Anchor Investors.
- where the allocation under the Anchor Investor Portion is more than 200.00 Lakhsbut upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) AnchorInvestors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
- where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additionalallocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject toa minimum Allotment of 100.00 Lakhs per Anchor Investor.

6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period.The number of Equity Shares allocated to Anchor Investors and the price at which theallocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage aftersubmission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amountbeing the difference between the Issue Price and the Anchor Investor Allocation Price willbe payable by the Anchor Investors within 2 (two) Working Days from the Bid/ IssueClosing Date. If the Issue Price is lower than the Anchor Investor Allocation Price,Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor InvestorIssue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchorinvestors, shall be shown graphically on the bidding terminals of syndicate members andwebsite of stock exchange offering electronically linked transparent bidding facility, forinformation of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30days from the date of Allotment.
11. The BRLM, our Promoters, Promoter Group or any person related to them (except forMutual Funds sponsored by entities related to the BRLM) will not participate in the AnchorInvestor Portion. The parameters for selection of Anchor Investors will be clearly identifiedby the BRLM and made available as part of the records of the BRLM for inspection bySEBI.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS BY ELIGIBLE NRI'S:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

BIDS BY FPIs INCLUDING FII'S:

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 or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Offer equity share capital on a fully diluted basis. 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, 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 be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([?] in colour). To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions: (a) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and (d) such other conditions as may be specified by SEBI from time to time. An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI. Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids: • FPIs which utilise the multi investment manager structure; • Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments; • Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; • FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager. • Multiple branches in different jurisdictions of foreign bank registered as FPIs; • Government and Government related investors registered as Category 1 FPIs; and • Entities registered as collective investment scheme having multiple share classes. The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected. Participation of FPIs in the Offer shall be subject to the FEMA Rules. The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25%

of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.
Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUFS

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

BIDS BY MUTUAL FUNDS:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON BANKING FINANCIAL COMPANIES

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS:

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES:

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form

e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paidup share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSB'S:

SCSBs participating in the Issueare required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

a. In case of resident Anchor Investors: ― "Krishna Defence and Allied Industries Limited IPO – Anchor Account-R"

b. In case of Non-Resident Anchor Investors: ― "Krishna Defence and Allied Industries Limited IPO – Anchor Account- NR"

c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
   a) the applications accepted by them,
   b) the applications uploaded by them
   c) the applications accepted but not uploaded by them or
   d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
   (i) The applications accepted by any Designated Intermediaries
   (ii) The applications uploaded by any Designated Intermediariesor
   (iii) The applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediariesand their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediariescan also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
   - Name of the Bidder;
   - IPO Name:
   - Bid Cum Application Form Number;
   - Investor Category;
   - PAN (of First Bidder, if more than one Bidder);
   - DP ID of the demat account of the Bidder;
   - Client Identification Number of the demat account of the Bidder;
   - Number of Equity Shares Applied for;
   - Bank Account details;
   - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
   - Bank account number.

8. In case of submission of the Application by an Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the

compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.

b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, agraphical representation of consolidated demand and price as available on the websites of the StockExchange may be made available at the Bidding centres during the Bid/ Issue Period.

Withdrawal of Bids

a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price and the Anchor Investor Issue Price.

b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.

e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Signing of Underwriting Agreement and Registeringof Red Herring Prospectus/Prospectus with ROC

1) Our company has entered into an Underwriting Agreement dated March 10, 2022
2) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS:

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/Issue period and withdraw their Bids until Bid/issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.
Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose nameshould also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum ApplicationForm for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at theDesignated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placedand obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule

to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

28. Do not Bid for lower than the minimum Bid size;
29. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
30. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
31. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
32. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
33. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
34. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
35. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
36. Do not Bid for a Bid Amount exceed Rs. 2,00,000/- (for Applications by Retail Individual Bidders);
37. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
38. Do not submit the General Index Register number instead of the PAN;
39. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the

relevant ASBA Account;

40. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
41. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
42. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
43. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other instructions for the Bidders

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre-issue or post issue related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

Submission of Bids

(a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.

(b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).

(c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

GROUNDS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders),the Depository Participant‘s identity (DP ID) and the beneficiary‘s account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutionalbuyers" as defined in

Rule 144A under the Securities Act;

- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.

b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

c) In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual

Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a. **For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. **For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●]Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●]Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. **ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;

  a minimum number of two Anchor Investors and maximum number of 15 Anchor

Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and

- in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).

b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

- Each successful Bidder shall be allotted [●] equity shares; and
- The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of

[●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-.Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment Advice

1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.comand NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.comand NSE i.e. www.nseindia.com

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;

2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Right to Reject Applications

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

(a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

Undertakings by Our Company

We undertake as follows:

1) That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;

2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.

3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5) That our Promoter 's contribution in full has already been brought in;

6) That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;

7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;

8) If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

9) If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;

10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated September 17, 2021 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated September 22, 2021 between CDSL, our Company and Registrar to the Issue;

The Company's equity shares bear an ISIN No.INE0J5601015

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or thebeneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest onlywith government approval

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of theRBI, provided that (i) the activities of the investee company are under the automatic route under the foreign directinvestment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-residentshareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with theguidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and

representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019
The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered

within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.
Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.
Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.
The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION IX - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule I of the Companies Act, and the SEBI (ICDR) Regulations, 2018, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association**.**

The following regulations comprised in these Articles of Associations were adopted pursuant to members resolution passed at the Extra Ordinary General Meeting held on September 27, 2021 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Associations of the Company.

INTERPRETATION

1. In these Articles unless there be something in the subject matter or context inconsistent therewith:

i. **"The Act"** means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.
ii. **"Articles"** means Articles of Association of the Company as originally framed or altered from time to time
iii. **"Beneficial Owner"** shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.
iv. **"Board" or "Board of Director"** means the Collective body of the Board of Directors of the Company.
v. **"Chairman"** means the Chairman of the Board of the Directors of the Company.
vi. **"The Company"** means Krishna Defence and Allied Industries Limited [(1 &2)]
vii. **"Depositories Act, 1996"** shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.
viii. **"Depository"**shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.
ix. **"Directors"** mean the Directors for the time being of the Company.
x. **"Dividend"** includes any interim dividend.
xi. **"Document"** means a document as defined in Section 2 (36) of the Companies Act, 2013.
xii. **"Equity Share Capital"**, with reference to any Company limited by shares, means all share capital which is not preference share capital;
xiii. **"KMP"** means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.
xiv. **"Managing Director"** means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.
xv. **"Month"** means Calendar month.
xvi. **"Office"** means the registered office for the time being of the Company.
xvii. **"Paid-up share capital"** or "share capital paid-up" means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;
xviii. **"Postal Ballot"** means voting by post or through any electronic mode.
xix. **"Proxy"** includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.

1. The name clause has been changed by a special resolution passed in EOGM held on 01.11.2021
2. The name clause has been altered by a special resolution passed in EOGM held on 27.09.2021.

xx. **"Public Holiday"** means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.

xxi. **"Registrar"** means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.

xxii. **"Rules"** means the applicable rules as prescribed under the relevant sections of the Act for time being in force.

xxiii. **"SEBI"** means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.

xxiv. **"Securities"** means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)

xxv. **"Share"** means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.

xxvi. **"Seal"** means the common seal of the Company.

xxvii. **"Preference Share Capital"**, with reference to any Company limited by shares,means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to—

(*a*) payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and

(*b*) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;

Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

'In writing' and 'written' includes printing, lithography and other modes of representing or reproducing words in a visible form.

Share Capital

2. The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any)and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.

3. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

Issue of Sweat Equity Shares

4. Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.

Issue of Debentures

5. The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

Issue of Share Certificates

6.

i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within fifteen days (15) of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,—
   a. one certificate for all his shares without payment of any charges; or
   b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.

ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;

iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

iv. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

7. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty Rupees for each certificate.

8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

9. The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.

Power to pay Commission In connection with the Securities issued

10.

i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

Variations of Shareholder's rights

11.

i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

12. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Issue of Preference Shares

13. Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

Further Issue of shares

14. (1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:

(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.
(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.
(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.

(2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.

(3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.

Lien

15.

i. The Company shall have a first and paramount lien—
   a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
      on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:
      Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares

   Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

16. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—
   a. unless a sum in respect of which the lien exists is presently payable; or
   b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

17.

i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

18.

i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Joint Holdings

19. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:-

a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.
b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
c) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.
e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.
f)
(i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.

(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.

g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.

Calls on shares

20.
i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.

ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
iii. A call may be revoked or postponed at the discretion of the Board.

21. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

22. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

23.

i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.

24.
i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture
iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

25. The Board—
i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

26. Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.

Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.

27. The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.

28. The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.

Transfer of shares

29.
i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.
ii. Each share in the Company shall be distinguished by its appropriate number.
iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.

30.
i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

31. The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956,decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-

    i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
    ii. any transfer of shares on which the Company has a lien.
    iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

32. The Board shall decline to recognise any instrument of transfer unless—

    i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
    ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares.
    Provided that, transfer of shares in whatever lot shall not be refused.
    iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),
    iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter , then the securities will be transferred;
    v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.

33. The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay

34. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

    Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year

35. The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.

Register of Transfers

36. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.

Dematerialisation of Securities

37.
    i. The provisions of thisArticle shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.

a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.

b. Option for Investors:

Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.

If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security

c. Securities in Depository to be in fungible form:-

- All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.
- Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.

d. Rights of Depositories & Beneficial Owners:-
Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.

e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.

ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.

iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.

vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this

Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.

Transmission of shares

38.

i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

39.

i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
    a. to be registered himself as holder of the share; or
    b. to make such transfer of the share as the deceased or insolvent member could have made.

ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

40.

i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

41. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

    Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

42. The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

    No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents.

Forfeiture of shares

43. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

44. The notice aforesaid shall—
    i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
    ii. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

45. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

46.
    i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
    ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

47.

    i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
    ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

48.
    i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
    ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;
    iii. The transferee shall thereupon be registered as the holder of the share; and
    iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

49. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

50. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

51. Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

52. The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.

53. The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

54. The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

Initial payment not to preclude forfeiture

55. Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.

Alteration of capital

56. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

57. Subject to the provisions of section 61, the Company may, by ordinary resolution,—

i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
iv. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Conversion of Shares into Stock

58. Where shares are converted into stock,—

i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

iii. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

Reduction of Capital

59. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

i. its share capital;
ii. any capital redemption reserve account; or
iii. Any share premium account.

Share Warrants

60. The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.

The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.

Not more than one person shall be recognized as depositor of the share warrant.

The Company shall, on two days written notice, return the deposited share warrants to the depositor.

Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.

The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.

Capitalisation of profits

61.

i. The Company in general meeting may, upon the recommendation of the Board, resolve—
   a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
   b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
   a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
   b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid;
   c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
   d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
   e. The Board shall give effect to the resolution passed by the Company in pursuance of this - regulation.

iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.

62.

i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—
   a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
   b. generally to do all acts and things required to give effect thereto.

ii. The Board shall have power—
   a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
   b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

iii. Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

63. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

General Meeting

64. All General Meetings other than annual general meeting shall be called extra-ordinary general meetings.

i. The Board may, whenever it thinks fit, call an extraordinary general meeting.
ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.

iii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

65.

i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

ii.

i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.

ii. In any other case, the quorum shall be decided as under:

a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;

b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;

66. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

67. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

68. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

69. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

70. A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

Demand for poll

71.

i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.

ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Time of taking poll

72.

i. A poll demanded on a question of adjournment shall be taken forthwith.
ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.

Adjournment of meeting

73.
i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

74. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
i. on a show of hands, every member present in person shall have one vote; and
ii. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

75. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

76.
i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

77. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

78. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

79. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

80. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

81.

i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

82. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

Casting Vote

83. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.

Representation of Body Corporate

84. A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.

Circulation of member's resolution

85. The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.

Resolution requiring special notice

86. The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.

Resolutions passed at adjourned meeting

87. The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.

Registration of resolutions and agreements

88. The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.

Minutes of proceedings of general meeting and of Board and other meetings

89.

i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.

ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed :

A. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

B. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.

C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.

F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:

a. the names of the Directors present at the meetings, and

b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.

iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:

a. is or could reasonably be regarded, as defamatory of any person

b. is irrelevant or immaterial to the proceedings; or

c. in detrimental to the interests of the Company.

iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.

Minutes to be considered to be evidence

90. The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.

Publication of reports of proceeding of general meetings

91. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

Proxy

92. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of `a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

93. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

94. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

95. The Company shall have minimum three directors and maximum 15 directors and following shall be the Present Director:
    1. Mr. Ankur Ashwin Shah
    2. Mrs. Preyal Ankur Shah
    3. Mr. Suvendu Banerjee
    4. Mr. Sandeep Ramrao Kadam
    5. Mr. Jaykumar Toshniwal
    6. Mr. Divyakant Ramniklal Zaveri

    Further, the Board of Directors can changed from time to time.

96. The Directors need not hold any "Qualification Share(s)".

97. Appointment of Senior Executive as a Whole Time DirectorSubject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:
    He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.

    Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.

98.
    i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
    ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them—
        a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
        b. in connection with the business of the company.

99. The Board may pay all expenses incurred in getting up and registering the company.

100. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

101. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed,

as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

102. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

103.

i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

Retirement and Rotation of Directors

104. Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.

105. The remaining Directors shall be appointed in accordance with the provisions of the Act.

106. At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.

107. Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.

108. Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.

109. Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.

Nominee Director

110. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as "the Corporation") continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.

111. The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.

112. The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.

113. The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.

Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.

114. Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.

Removal of Directors

115. The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.

116. Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

117. On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

118. Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,

(a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and

(b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:

Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in party by the director notwithstanding that he is not a party to it.

119. A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.

120. A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

121. If the vacancy is not filled under clause (5) above , it may be filled as a casual vacancy in accordance with the provisions of this Act:
Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.

122.Nothing in this section shall be taken-

a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contact or terms of his appointment as director, or of any other appointment terminating with that as director; or
b) as derogating from any power to remove a director under other provisions of this Act.

Remuneration and sitting fees to Directors including Managing and whole time Directors

123. Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.

In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.

a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or
b. In connection with the business of the Company.

124. Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs. 1,00,000/-(Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 & 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or

otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.

Powers and duties of Directors:

Certain powers to be exercised by the Board only at meeting

125.

i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.

   a. The power to make calls on shareholders in respect of money unpaid on their shares;
   b. The Power to authorize buy-back of securities under Section 68 of the Act.
   c. Power to issue securities, including debenture, whether in or outside India
   d. The power to borrow moneys
   e. The power to invest the funds of the Company,
   f. Power to Grant loans or give guarantee or provide security in respect of loans
   g. Power to approve financial statements and the Board's Report
   h. Power to diversify the business of the Company
   i. Power to approve amalgamation, merger or reconstruction
   j. Power to take over a Company or acquire a controlling or substantial stake in another Company
   k. Powers to make political contributions;
   l. Powers to appoint or remove key managerial personnel (KMP);
   m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
   n. Powers to appoint internal auditors and secretarial auditor;
   o. Powers to take note of the disclosure of director's interest and shareholding;
   p. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;
   q. Powers to invite or accept or renew public deposits and related matters;
   r. Powers to review or change the terms and conditions of public deposit;
   s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.

   Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.

ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.

iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.

iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.

v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.

Restriction on powers of Board

126.

i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting :

a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;

b) remit, or give time for the repayment of any debt, due by a Director;

c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;

d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or

e) contribute to *bona fide* charitable and other funds, aggregate of which ill in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings.

ii. Nothing contained in sub-clause (a) above shall affect:

a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or

b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.

iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.

iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.

127. Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.

General powers of the Company vested in Directors

128. Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in

general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Specific powers given to Directors

129. Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:

i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;

ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;

iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;

iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;

v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;

vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;

vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;

viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;

ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;

x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;

xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;

xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;

xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;

xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.

xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.

xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;

xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;

xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.

xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.

xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.

xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;

MANAGING DIRECTORS

Power to appoint Managing or Whole-time Directors

130.

a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon .such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.

b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.

c) Subject to the provisions of Sections 197 & 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.

Proceedings of the Board

131.

a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

132. The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.

133.

a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

134. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

135. The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

136.

a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

Delegation of Powers of Board to Committee

137.

a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

138.

a) A committee may elect a Chairperson of its meetings.
b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

139.

a) A committee may meet and adjourn as it thinks fit.
b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

140. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or

any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

141. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

142. Subject to the provisions of the Act,—

a) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.

143. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, manager, Company Secretray or chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief Financial Officer.

The Seal

144.a) No Common seal is required as per the Provisions of the Companies Act, 2013.

Dividends and Reserve

145. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

146. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

147.

a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.
b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

148.

a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

149. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

150.

a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

151. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

152. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

153. No dividend shall bear interest against the Company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;

154. Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.

The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.

155. The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

156. Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

Accounts

157.

a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.

b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

Inspection of Statutory Documents of the Company:

158. Minutes Books of General Meetings

a) The books containing the minutes of the proceedings of any general meeting of the Company shall;
   i. be kept at the registered office of the Company, and
   ii. be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.

Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance.

b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.

159. Register of charges:

a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.
b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—
   a. by any member or creditor without any payment of fees; or
   b. by any other person on payment of such fees as may be prescribed,

Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.

Audit

160.

a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.
c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.
d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

Winding up

161. Subject to the provisions of Chapter XX of the Act and rules made there under—

i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.

Indemnity

162. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the TribunalSubject to the provisions of Chapter XX of the Act and rules made there under—

Secrecy

163.

(a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.

(b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.

SECTION X – OTHER INFORMATION
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/Prospectus, delivered to the Registrar of Companies, for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until theBid/ Issue Closing Date.

Material Contracts

1. Agreement dated February 10, 2022 executed between our Company and Hem Securities Limited as Book Running Lead Manager to the Issue.
2. Agreement dated December 16, 2021executed between our Company and the Registrar to the Issue (Bigshare Service Pvt. Ltd.)
3. Banker to the Issue Agreement dated March 09, 2022 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated March 10, 2022 between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated March 10, 2022 between our Company, Book Running Lead Manager and Underwriter.
6. Tripartite Agreement dated September 22, 2021 among CDSL, the Company and the Registrar to the Issue.
7. Tripartite Agreement dated September 17, 2021 among NDSL, the Company and the Registrar to the Issue.
8. Syndicate Agreement dated March 10, 2022 among our Company, the BRLM and Syndicate Member

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated September 10, 2013 issued by theRegistrar of Companies, Maharashtra, Mumbai.
3. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated October 20, 2021 issued by Registrar of Companies, Mumbai.
4. Fresh Certificate of Incorporation Consequent upon Change of Namedated December 07, 2021 issued by Registrar of Companies, Mumbai.
5. Fresh Certificate of Incorporation Consequent upon Change of Object dated November 23, 2021issued by Registrar of Companies, Maharashtra, Mumbai.
6. Copy of the Board Resolution datedNovember 26, 2021authorizing the Issue and other related matters.
7. Copy of Shareholder's Resolution datedNovember 30, 2021authorizing the Issue and other related matters.
8. Copy of Audited Financial Statements of our Company for the stub period September 30, 2021 and period ended March 31, 2021, 2020&2019
9. Statutory Auditors Report dated February 08, 2022on Restated Financial Statements of our Company for the stub period September 30, 2021 and period ended March 31, 2021, 2020&2019.
10. Copy of the Statement of Tax Benefits dated February 08, 2022 from the Statutory Auditor.
11. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to the Issue, Syndicate Member, Statutory Auditor of the Company, Promoter of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Banker to our Company as referred to, in their respective capacities.
12. Board Resolution dated February 11, 2022 for approval of Draft Red Herring Prospectus, dated March 16, 2022 for approval of Red Herring Prospectus
13. Due Diligence Certificate from Book Running Lead Manager dated February 11, 2022.
14. Approval from NSE vide letter Ref.: NSE/LIST/1536 dated March 10, 2022, to use the name of NSE in the

Offer documents for listing of Equity Shares on the NSEEmerge.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mr. Ankur Ashwin Shah Managing Director DIN: 01166537	Sd/-

Date: March 16, 2022
Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mr. Sandeep Ramrao Kadam Whole-time Director DIN: 06841164	Sd/-

Date: March 16, 2022
Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mr. Suvendu Banerjee Whole-time Director DIN: 06841783	Sd/-

Date: March 16, 2022
Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mrs. Preyal Ankur Shah Non-Executive Director& Chairperson DIN: 06966962	Sd/-

Date: March 16, 2022
Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mr. Jaykumar Toshniwal Independent Director DIN: 00609542	Sd/-

Date: March 16, 2022
Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Mr. Divyakant Ramniklal Zaveri Independent Director DIN: 01382184	Sd/-

Date: March 16, 2022
Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:

Name and Designation	Signature
Mr. Piyush Harjibhai Patel Chief Financial Officer PAN: AODPP9949J	Sd/-

Date: March 16, 2022
Place: Mumbai

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:

Name and Designation	Signature
Ms. Charmy Shah Company Secretary & Compliance Officer (M. No. ACS 63905)	Sd/-

Date: March 16, 2022
Place: Mumbai