



(Please scan this QR Code to view the Draft Prospectus)

DRAFT PROSPECTUS  
Dated: August 19, 2022  
(This Draft Prospectus will be updated  
upon filing with the RoC)  
Please read Section 26 and 28 of the  
Companies Act, 2013  
Fixed Price Issue



# REETECH INTERNATIONAL CARGO AND COURIER LIMITED

Corporate Identification Number: U51100CT2008PLC020983

Registered Office	Contact Person	Email and Telephone	Website	
"Sai Kunj" Civil Lines, Raipur-492001, Chhattisgarh, India	Ms. Chhaya Verma Company Secretary and Compliance Officer	<b>Email Id:</b> info@reetechinternational.com <b>Tel No:</b> + 91 7714003800	<a href="http://www.reetechinternational.com">www.reetechinternational.com</a>	
PROMOTERS OF THE COMPANY: MR. MAHENDRA AHUJA AND MS. ROMA AHUJA				
DETAILS OF THE ISSUE				
Type	Fresh Issue Size (In ₹ Lakhs)	OFS Size (In ₹ Lakhs)	Total Issue Size	Eligibility
Fresh Issue and Offer for Sale	627.48	543.06	1,170.54 Lakh	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			
Name	Type	Number of shares offered / amount in ₹	WACA in ₹ per Equity Share
Mr. Mahendra Ahuja	Equity	2,20,400 Shares of 231.42 Lakh	20.37
Ms. Roma Ahuja	Equity	2,96,800 Shares of 311.64 Lakh	1.52

## RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹ 10.00 each and the Issue Price is 10.5 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company and the Selling Shareholders in consultation with the Lead Manager as stated in "Basis for Issue Price" beginning on page 83 should not be taken 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 or regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 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 contents of the Draft Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 27 of this Draft Prospectus.

## ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY


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

Further, the Selling Shareholders accepts responsibility for and confirms only those statements specifically made or confirmed by such Selling Shareholders in this Draft Prospectus to the extent of information specifically pertaining to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. The Selling Shareholders assume no responsibility for any other statements in this Draft Prospectus, including, inter alia, any of the statements made by or relating to our Company or its business or any other Selling Shareholders.


## LISTING

The Equity Shares Issued through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited 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 BSE Limited ("BSE").

## LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 <b>GRETEX CORPORATE SERVICES LIMITED</b>	Ms. Dimple Magharam Slun	Email: <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> Tel No.: +91 22 4002 5273 / 96532 49863

## REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 <b>BIGSHARE SERVICES PRIVATE LIMITED</b>	Mr. Swapnil Kate	Email: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Tel: +91 22 6263 8200

## ISSUE PROGRAMME

ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]
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DRAFT PROSPECTUS  
Dated: August 19, 2022  
(This Draft Prospectus will be updated  
upon filing with the RoC)  
Please read Section 26 and 28 of the  
Companies Act, 2013  
Fixed Price Issue



**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
Corporate Identification Number: U51100CT2008PLC020983

Our Company was originally incorporated on December 18, 2008 as a Private Limited Company in the name of “M R Agriculture Private Limited” vide Registration No. 020983 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh and Chhattisgarh. Further, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on June 15, 2020, name of our Company was changed to “Reetech International Cargo and Courier Private Limited” and a Fresh Certificate of Incorporation was issued by Registrar of Companies, Chhattisgarh. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on February 15, 2022 our Company was converted from a Private Limited Company to Public Limited Company and the name of our Company was changed to “Reetech International Cargo and Courier Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on April 12, 2022 by the Registrar of Companies, Chhattisgarh bearing Corporate Identification Number U51100CT2008PLC020983. For further Details of Incorporation and Change in Registered Office of our Company, please refer to section titled ‘*Our History and Certain Other Corporate Matters*’ beginning on page 113 of this Draft Prospectus.

**Registered Office:** “Sai Kunj” Civil Lines, Raipur- 492001, Chhattisgarh, India.

**Contact Person:** Ms. Chhaya Verma, Company Secretary and Compliance Officer

**Tel:** + 91 7714003800; **E-mail:** info@reetechinternational.com; **Website:** [www.reetechinternational.com](http://www.reetechinternational.com)

**Our Promoters:** Mr. Mahendra Ahuja and Ms. Roma Ahuja

**THE ISSUE**

PUBLIC ISSUE OF **11,14,800 EQUITY SHARES** OF FACE VALUE OF ₹ 10.00 EACH (“**EQUITY SHARES**”) OF REETECH INTERNATIONAL CARGO AND COURIER LIMITED (THE “**COMPANY**” OR THE “**ISSUER**”) FOR CASH AT A PRICE OF ₹ 105.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 95.00 PER EQUITY SHARE (THE “**ISSUE PRICE**”) AGGREGATING TO ₹ **1,170.54 LAKHS** (“**THE ISSUE**”) COMPRISING OF A FRESH ISSUE OF **5,97,600 EQUITY SHARES** AGGREGATING TO ₹ **627.48 LAKHS** (THE “**FRESH ISSUE**”) AND AN OFFER FOR SALE OF **5,17,200 EQUITY SHARES** BY THE SELLING SHAREHOLDERS (“**OFFER FOR SALE**”) AGGREGATING TO ₹ **543.06 LAKHS** OF WHICH **56,400 EQUITY SHARES** AGGREGATING TO ₹ **59.22 LAKHS** WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “**MARKET MAKER RESERVATION PORTION**”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF **10,58,400 EQUITY SHARES** AGGREGATING TO ₹ **1,111.32 LAKHS** (THE “**NET ISSUE**”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE **26.37% AND 25.04% RESPECTIVELY** OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

**THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10.00 AND THE ISSUE PRICE IS 10.5 TIMES OF THE FACE VALUE OF THE EQUITY SHARES**

This Issue is being made through Fixed Price Process, in terms of Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI (ICDR) Regulations”), as amended and rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, this is an Issue for at least 25% of the Post Issue Paid-up Equity Share Capital of our Company. For further details, please refer to chapter titled “*Issue Procedure*” beginning on page 189 of this Draft Prospectus. A copy of the Prospectus will be delivered to the Registrar of Companies for filing as required under Section 26 and 28 of the Companies Act, 2013.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10.00. The Issue Price (as determined by our Company and the Selling Shareholders in consultation with the Lead Manager as stated in ‘*Basis for Issue Price*’ beginning on page 83 of this Draft Prospectus) should not be taken 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 or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Equity Shares in the Issue have neither been recommended nor approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled ‘*Risk Factors*’ beginning on page 27 of this Draft Prospectus.

**ISSUER’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY**


Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to Our Company and the Issue which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading, in any material respect. Further, the Selling Shareholders assumes responsibility that this Draft Prospectus contains all information about themselves as a Selling Shareholders in the context of the Offer for Sale and further assumes responsibility for statements in relation to them included in this Draft Prospectus.

**LISTING**

The Equity Shares issued through the Prospectus are proposed to be listed on the SME Platform of BSE Limited. Our Company has received In principle Approval from BSE Limited for the listing of the Equity Shares pursuant to letter dated [●]. For the purposes of the Issue, the Designated Stock Exchange shall be BSE Limited.

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**

  
**GRETEX CORPORATE SERVICES LIMITED**  
Office No. 13, 1<sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai- 400001, Maharashtra, India.  
**Tel No.:** +91 22 4002 5273 / 96532 49863  
**Email:** [info@gretexgroup.com](mailto:info@gretexgroup.com)  
**Website:** [www.gretexcorporate.com](http://www.gretexcorporate.com)  
**Contact Person:** Ms. Dimple Magharam Slun  
**SEBI Registration No:** INM000012177  
**CIN:** L74999MH2008PLC288128

  
**BIGSHARE SERVICES PRIVATE LIMITED**  
S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India  
**Tel No.:** +91 – 22 – 6263 8200; **Fax No.:** +91 – 22 – 6263 8299  
**E-mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Investor Grievance E-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Contact Person:** Mr. Swapnil Kate  
**SEBI Registration No.:** INR000001385  
**CIN:** U99999MH1994PTC076534

**ISSUE PROGRAMME**

**ISSUE OPENS ON:** [●]

**ISSUE CLOSES ON:** [●]

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft 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, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Listing Regulations, the Depositories Act or the Rules and Regulations made thereunder.

Notwithstanding the foregoing, terms used in of the sections “*Statement of Special Tax Benefits*”, “*Financial Statements as Restated*”, “*Main Provisions of Articles of Association*”, “*Basis for Issue Price*”, “*Our History and Certain Other Corporate Matters*”, “*Other Regulatory and Statutory Disclosures*” and “*Outstanding Litigations and Material Developments*” beginning on pages 85, 145, 209, 83, 113, 168 and 159 respectively, shall have the meaning ascribed to such terms in the relevant section.

#### **GENERAL TERMS**

Term	Description
“Reetech International Cargo and Courier Limited”, “Reetech”, “RICCL” “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies, refers to Reetech International Cargo and Courier Limited, a Public Limited Company incorporated as a Private Limited company under the Companies Act, 1956 and having its Registered Office at Sai Kunj Civil Lines Raipur Chhattisgarh 492001 India.
Promoter(s) / Core Promoter	The promoters of our Company being Mr. Mahendra Ahuja and Ms. Roma Ahuja for further details, please refer to chapter titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 136 of this Draft Prospectus
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 136 of this Draft Prospectus.

#### **COMPANY RELATED TERMS**

Term	Description
AOA / Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Reetech International Cargo and Courier Limited, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “ <i>Our Management</i> ” beginning on page 117 of this Draft Prospectus.
Auditor of our Company / Statutory Auditor	The Statutory Auditors of our Company, being M/s Gupta Agarwal and Associates, Chartered Accountants holding a valid peer review certificate as mentioned in the section titled “ <i>General Information</i> ” beginning on page 51 of this Draft Prospectus.
Banker to our Company	[●] as disclosed in the section titled “ <i>General Information</i> ” beginning on page 51 of this Draft Prospectus.
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 117 of this Draft Prospectus.
CIN / Corporate Identification Number	U51100CT2008PLC020983
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled “ <i>General Information</i> ” beginning on page 51 of this Draft Prospectus.
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled “ <i>General Information</i> ” beginning on page 51 of this Draft Prospectus.
Director(s) / our Directors	Director(s) of our company unless otherwise specified
Depositories Act	The Depositories Act, 1996, as amended from time to time

Term	Description
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Equity Shares / Shares	The equity shares of our Company of face value of ₹10.00 each unless otherwise specified in the context thereof.
Equity Shareholders / Shareholders	Persons / Entities holding Equity Shares of the Company
Consolidated Financial Statements as Restated	The financial information of the Company which comprises of the Restated Consolidated Financial Statement of assets and liabilities for the financial years ended on March 31, 2022, 2021 and 2020, the restated consolidated statement of profit and loss and the restated consolidated cash flow statement for the financial years ended March 31, 2022, 2021 and 2020, and the related notes, schedules and annexures thereto included in this Draft Prospectus, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Group Companies / Entities	Such companies / entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies / entities, please refer “ <i>Our Group Companies</i> ” beginning on page 140 of this Draft Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India.
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled “ <i>Our Management</i> ” beginning on page 117 of this Draft Prospectus.
ISIN	International Securities Identification Number, being INE0MKO01015.
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled “ <i>Our Management</i> ” beginning on page 117 of this Draft Prospectus.
MD or Managing Director	The Managing Director of our Company Mr. Mahendra Ahuja.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on July 15, 2022 in accordance with the requirements of the SEBI (ICDR) Regulations.
MoA / Memorandum of Association	The Memorandum of Association of our Company as amended from time to time
Nomination & Remuneration Committee	The nomination and remuneration committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 117 of this Draft Prospectus.
Registered Office	The registered office of our Company situated at Sai Kunj Civil Lines Raipur Chhattisgarh 492001, India.
RoC / Registrar of Companies	Registrar of Companies, Chhattisgarh situated at Registrar of Companies 1 <sup>st</sup> Floor, Ashok Pingley Bhawan, Municipal Corporation, Nehru Chowk, Bilaspur- 495001, Chhattisgarh, India.
Selling Shareholders	The Selling Shareholders participating in the Issue being, Mr. Mahendra Ahuja and Ms. Roma Ahuja
Stakeholders’ Relationship Committee	The Stakeholder’s relationship committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the chapter titled “ <i>Our Management</i> ” beginning on page 117 of this Draft Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
You or Your or Yours	Prospective Investors in this Issue.

## ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allocation / Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue.



Term	Description
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being / have been allotted
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an application during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company.
Application Supported by Blocked Amount / ASBA	An application whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.
ASBA Account	A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII Applicants blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
Bankers to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “ <b>General Information</b> ” beginning on page 51 of this Draft Prospectus.
Bankers to the Issue / Refund Banker	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being [●].
Bankers to the Issue Agreement	Bank which is a clearing member and registered with SEBI as Banker to the Issue and with whom the Public Issue Account will be opened, in this case being [●].
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in “ <b>Issue Procedure</b> ” beginning on page 189 of this Draft Prospectus
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of the BSE Limited on the following link- <a href="http://www.bseindia.com">www.bseindia.com</a>
BSE SME	SME Platform of BSE Limited
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	Confirmation of Allocation Note / the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Circular's on Streamlining of Public Issues	Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 amended by circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard.
Client ID	Client identification number of the Applicant's beneficiary account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches / Controlling Branches of the SCSBs.	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Applicants with the Registrar to the Issue and Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details and UPI ID wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996

Term	Description
Depository Participant / DP	A depository participant as defined under the Depositories Act
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the 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 Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	<p>In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p>
Designated Market Maker / Market Maker	In our case, Gretex Share Broking Private Limited having its registered office at Office No. 13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort Mumbai – 400023, Maharashtra, India.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ).
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/">http://www.sebi.gov.in/</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange / Stock Exchange	BSE Limited.
Draft Prospectus	This Draft Prospectus dated August 19, 2022 filed with the BSE Limited in accordance with the SEBI ICDR Regulations
DP	Depository Participant
DP ID	Depository Participant's Identity number
Eligible NRI	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst the Company, the Selling Shareholders, the Lead Manager, the Registrar, the Banker to the Issue and Sponsor bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
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 / Sole Applicant	Applicant whose name shall be mentioned in the 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.
Fresh Issue	Fresh Issue of 5,97,600 Equity Shares of face value ₹10.00 each of Reetech International Cargo and Courier Limited for cash at a price of ₹ 105.00 per Equity Shares (including premium of ₹ 95.00 per Equity Shares) aggregating ₹627.48 Lakhs by our Company.

Term	Description
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018
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	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) page October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LM.
Issue / Public Issue / Issue size / Initial Public Offer / Initial Public Offering / IPO / Present Issue	Public Issue of 11,14,800 Equity Shares of face value ₹10.00 each of Reetech International Cargo and Courier Limited for cash at a price of ₹105.00 per Equity Shares (including premium of ₹95.00 per Equity Shares) aggregating ₹ 1,170.54 Lakhs by our Company.
Issue Agreement	The agreement dated August 10, 2022 entered into between our Company, the Selling Shareholders and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which the Issue closes for subscription
Issue Opening Date	The date on which the Issue opens for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which prospective Applicants can submit their applications, including any revisions thereof.
Issue Price	The price at which Equity Shares are being issued by our Company being ₹105.00 per Equity Share (including premium of ₹95.00 per Equity Share)
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 77 of this Draft Prospectus
Lead Manager / LM	The Lead Manager to the Issue, in this case being Gretex Corporate Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is 1,200 and in multiples of 1,200 thereafter; subject to a minimum allotment of 1,200 Equity Shares to the successful applicants.
Market Making Agreement	Market Making Agreement dated August 10, 2022 between our Company, the Lead Manager and Market Maker.
Market Maker Reservation Portion	56,400 Equity Shares of ₹ 10.00 each at ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹ 59.22 Lakh reserved for subscription by the Market Maker.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted Post- Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20% and locked-in for a period of three years from the date of Allotment.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue excluding the Market Maker Reservation Portion of 10,58,400 Equity Shares of face value of ₹10.00 each fully paid up for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating ₹ 1,111.32 Lakh by our Company and the Selling Shareholders.



Term	Description
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹ 2.00 Lakh (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian / NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Offer for Sale	The Issue contains Offer for Sale of 5,17,200 Equity Shares of face value ₹ 10.00 each of Reetech International Cargo and Courier Limited for cash at a price of ₹ 105.00 per Equity Shares (including premium of ₹ 95.00 per Equity Shares) aggregating ₹ 543.06 Lakhs by the Selling Shareholders
Person or 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 RoC in accordance with the provisions of Section 26 and 28 of the Companies Act, 2013.
Public Issue Account	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, 2018.
Refund Account	Account to which Application monies to be refunded to the Applicants.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals.
Registrar Agreement	The Agreement between the Registrar to the Issue, the Selling Shareholders and the Issuer Company dated August 10, 2022 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
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
Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Retail Individual Investors / RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Issue is not more than ₹ 2.00 Lakh.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s).  QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being [●].
Share Escrow Agent	Share Escrow Agent appointed pursuant to the Share Escrow Agreement, being Bigshare Services Private Limited.
Share Escrow Agreement	Agreement dated [●] entered into between the Selling Shareholders, our Company, the Escrow Agent and the Lead Manager in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Underwriter	Gretex Corporate Services Limited and Gretex Share Broking Private Limited.
Underwriting Agreement	The agreement dated August 10, 2022 entered into between the Underwriters, the Selling Shareholders, our Company and the Lead Manager.

Term	Description
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated 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.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

## CONVENTIONAL AND GENERAL TERMS

Term	Description
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
ASBA	Applications Supported by Blocked Amount
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CGST	Central GST
COPRA	The Consumer Protection Act, 1986
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder.
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder.
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996

Term	Description
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
Environment Protection Act	The Environment (Protection) Act, 1986
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
e-RUPI	Prime Minister Narendra Modi launched a contactless, prepaid, electronic prepaid system
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI / Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
HSC	Higher Secondary School Certificate.
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts

Term	Description
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M.Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
Mill & Fill	Removing the existing surface layer with a milling machine and then transporting the material to a storage facility
MSME	Micro, Small and Medium Enterprise
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006
MWA	Minimum Wages Act, 1948
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NI Act	The Negotiable Instruments Act, 1881
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Pcs	Pieces
P/E Ratio	Price / Earnings Ratio
PAN	Permanent account number
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 1976
PAT	Profit after Tax
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
PPP	Public Private Partnership
Public Liability Act / PLI Act	The Public Liability Insurance Act, 1991
Pvt. / (P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time

Term	Description
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Sec.	Section
SGST	State GST
SHWW / SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful Defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

## TECHNICAL / INDUSTRY RELATED TERMS

Term	Full Form
Acre	Equals 43560 Sq. Ft. or 100 Cents
BP	Building Permit
CAGR	Compounded Annual Growth Rate
CC	Commencement Certificate
CCL	Central Coalfields Limited
Developable Area	The total area which we develop in each of our projects, including carpet area, common area, service and storage area, car parking and other open areas on which we may undertake any development
DA	Development Agreement
ECL	Eastern Coalfield Limited
FSI	It is the ratio of the Internal Floor Area and Saleable Area.
GFC	Global financial Crises
IOA	Intimation of Approval
LA Act.	Land Acquisition Act, 1894
LOI	Letter of Intent
MCL	Mahanadi Coalfields Limited
NCL	Northern Coalfields Limited
OC	Occupation Certificate
Occupancy Level	The combined Saleable Area of the occupied units of a project as a percentage of the total Saleable Area of the project available for lease.
Saleable Area	The part of the developable area relating to our economic interest in each property and for which the owner or tenant is obliged to pay or for which we estimate that respective owner or tenant will pay
SCCL	Singareni Collieries Company Limited
SECL	South Eastern Coalfields Limited



Sq. Ft.	Square Feet
Sq. metres/Sq. mtr.	Square Metres
Sq. yds	Square Yards
WCL	Western Coalfields Limited

## ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
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
BBA	Bachelor of Business Administration
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
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
BSE SME	SME Platform of BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CCI	The Competition Commission of India
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
Depository or Depositories	NSDL and CDSL.
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 & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
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
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ` / Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
i.e	That is
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
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price

M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
MRP	Maximum Retail Price
NA	Not Applicable
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
NPV	Net Present Value
NRI	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
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
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
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America

VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
VAT	Value Added Tax
w.e.f.	With effect from
YoY	Year over Year

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

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company” and “Reetech”, “RICCL”, unless the context otherwise indicates or implies, refers to Reetech International Cargo and Courier Limited.

### **CERTAIN CONVENTION**

All references in this Draft Prospectus to “India” are to the Republic of India. In this Draft Prospectus, our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

### **FINANCIAL DATA**

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our Audited Restated Consolidated Financial Statements for the Financial Years ended on March 31, 2022, 2021 and 2020; prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, Guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by ICAI and the Indian GAAP which are included in this Draft Prospectus, and set out in “*Financial Statements as Restated*” beginning on page 145 of this Draft Prospectus.

In this Draft Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the two decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Draft Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between Indian GAAP and IND (AS). Accordingly, the degree to which the Restated Consolidated Financial Statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, IND (AS), the Companies Act and the SEBI (ICDR) Regulations, on the Consolidated Restated Financial Statements presented in this Draft Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Draft Prospectus. You should 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 Position and Results of Operations” and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled ‘*Financial Statements as Restated*’ beginning on page 145 of this Draft Prospectus

### **CURRENCY AND UNITS OF PRESENTATION**

In this Draft Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US \$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America. All references to the word ‘Lakh’ or ‘Lakhs’, ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakh’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One Thousand Million’.

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management's Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated based on our financial statements as restated prepared in accordance with Indian GAAP.

### **DEFINITIONS**

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” beginning on page 4 of this Draft Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page 209 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.



## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been obtained or derived from Internal Company reports and industry and Government publications, publicly available information and sources. Industry and Government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified either by the Company, the Selling Shareholders or the Lead Manager or any of their respective affiliates or advisors.

Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, "***Basis for Issue Price***" beginning on page 83 of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors***" beginning on page 27 of this Draft Prospectus.

## EXCHANGE RATE

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

## **FORWARD LOOKING STATEMENTS**

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and 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.

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

1. Impact of the COVID-19 pandemic on our business and operations;
2. General economic and business conditions in India and other countries;
3. Our reliance on internet network and our ability to utilize systems in an uninterrupted manner; Effect of lack of infrastructure facilities on our business;
4. Our ability to attract, retain and manage qualified personnel;
5. Our ability to successfully implement our growth strategy and expansion plans, technological changes;
6. Changes in fiscal, economic or political conditions in India;
7. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
8. Any adverse outcome in the legal proceedings in which we are involved;
9. The occurrence of natural disasters or calamities;
10. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
11. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
12. Conflict of Interest with group companies, the promoter group and other related parties
13. Changes in the value of the Rupee and other currencies;
14. Other factors beyond our control; and
15. Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, please see the section titled “***Risk Factors***”, chapters titled “***Our Business***” and “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” beginning on pages 27, 99 and 146 of this Draft Prospectus, respectively.

Neither our Company, our Directors, our Promoters, the Selling Shareholders, the Lead Manager 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 will ensure that investors in India are informed of material developments from the date of this Draft Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.

## **SECTION II: SUMMARY OF ISSUE DOCUMENT**

### **OVERVIEW OF INDUSTRY**

Coal Trading Industry in India

India's domestic coal production increases by 28% as of June 16, 2022

After a record-breaking coal production of 777 million tonnes (MT) in 2021-22, domestic coal production continues to witness an increasing trend in the current financial year as well.

The total domestic coal production in 2022-23, as of May 31, 2022, is 137.85 MT, which is 28.6 per cent more as compared to the production of 104.83 MT in the same period of last year. This trend is being maintained in June, 2022 also, the Ministry of Coal said today.

The coal production by Coal India Ltd (CIL) is 28 per cent more than the production in the same period of the previous year (as of June 16, 2022). The Domestic coal production target for the current financial year is 911 MT which is 17.2 per cent more than the previous year.

The coal imports for blending by the Domestic Coal Based (DCB) power plants have dropped to 8.11 MT in the year 2021-22 which has been the lowest coal import in the last eight years. This was possible solely due to the robust coal supply from domestic sources and increased domestic coal production. The Imported Coal Based (ICB) power plants had imported coal of more than 45 MT per year from 2016-17 to 2019-20. However, coal import by the ICB power plants dropped to the lowest level of 18.89 MT in 2021-22 and the generation from these plants also dropped to 39.82 billion units (BU) in the year 2021-22 as compared to the 100+ BU which these plants have been generating since quite some time. This year too their generation remains very low due to high price of imported coal.

In the last five years, the coal-based power generation has grown at a CAGR of 1.82 per cent whereas the domestic coal supply to power sector had grown at a CAGR of 3.26 per cent. Thus, coal supply to power sector has outpaced the growth in coal-based power generation and continues to do so in the present year too.

In the year 2021-22, coal supply from CIL to the DCB power plants has been more than the supply required to be made under Fuel Supply Agreement (FSA). CIL had supplied 540 MT coal, out of which 483 MT coal was supplied against FSA. This coal was sufficient for the power plants to run at 69 per cent PLF whereas the DCB power plants operated at a PLF of only 61.3 per cent in the year 2021-22. In the year 2022-23, as per FSA, CIL was supposed to supply 120.67 MT coal to its linked power plants (at 85 per cent PLF) whereas CIL had supplied 129.58 MT coal (till 16.06.22). This supply is 7.4 per cent more than the supply required by the plants if they operate at 85 per cent PLF. The plants have operated at about 70 per cent PLF and the CIL coal supply to its FSA-linked plants is 30.4 per cent more than their requirement.

With increased production, the rake supply from CIL to the power sector has also been at an all-time high. The rake loading to power sector increased from 215.8 rakes per day in 2020-21 to 271.9 rakes per day in 2021-22, registering a growth of 26 per cent.

### **OVERVIEW OF BUSINESS**

Our company was incorporated in the year 2008, in the name and style of M R Agriculture Private Limited by the joint efforts of Mr. Mahendra Ahuja and Ms. Roma Ahuja. Company started its operation in the year 2009-10 Initially the Company was engaged in the business of agriculture goods such as Rice Milling, Rice Sorting, Dal Milling, Dal Processing and Agriculture Products. The business of trading of Agriculture goods had been operated by the Company successfully in the past. In the year 2020, our promoters commenced business of trading of coal. In the year 2021, the company changed its name from M R Agriculture Private Limited to Reetech International Cargo and Courier Private Limited. Our Promoters has a vision to look beyond the ordinary; to foresee opportunities; to attain the unattainable; to create in-roads into newer vistas of change and above all, to bridge the demand-supply gap for coal, the world's fossil fuel.

Mr. Mahendra Ahuja started as a small trader of coal in 2020, and within a short span of time, Reetech has emerged as one of the recognised suppliers of coal in the state of Chhattisgarh. We are based at Raipur, Chhattisgarh, and our operations are spread across India, with a wide network of Customers. Our diversified product portfolio comprises coal from Indonesia, South Africa, Australian and India, among other origins. We supply our products to the customers in various sectors i.e., Power, Steel, Rolling and other industries. An effective handling and transportation of the orders is facilitated through Road transportation and Railway. In a very short span of time, our Company has been able to recognize

itself as a trusted name in the coal industries due to its commitment to quality and reliability since its inception. Our Company is one of the recognised traders of Coal and perform its operations from Gangavaram and other ports.

## Our Products

### South African Coal

We are currently importing the entire spectrum of South African coal that comprises 6000 NAR, 5500 NAR & 4800 NAR. The coal is transported in multifarious vessels such as Supramax, Panamax, Babycap & Capesize vessels. It is then stored in various locations including Gangavaram port, Vizag port.

### Indonesian Coal

We importing the entire spectrum of Indonesian coal grades, extending from Low Calorific Value and Medium Calorific Value to High Calorific Value.

### Indian Coal

We procure Indian coal through e-auctions conducted by the various subsidiaries of Coal India Limited (WCL, ECL, SECL, CCL, MCL, NCL, SCCL). The coal is procured keeping in mind the quality and quantity requirements of our customers. We pride ourselves on the ability to provide end-to-end logistics solutions to our clients together with flexibility in payment terms, which bring in a great value proposition.

### US Coal

We import US coal on Kandla port of GCV higher than 7000.

## OUR PROMOTERS

As on date of filing of Draft Prospectus our company is promoted by Mr. Mahendra Ahuja and Ms. Roma Ahuja.

## DETAILS OF THE ISSUE

<b>Equity Shares Offered</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Issue of 11,14,800 Equity Shares of ₹ 10.00 each for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹1,170.54 Lakh.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	56,400 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹59.22 Lakh.
<b>Net Issue to the Public</b>	10,58,400 Equity Shares of ₹ 10.00 each for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹ 1,111.32 Lakh.
<b>Out of which:</b>	
<b>Allocation to Retail Individual Investors for upto ₹2.00 Lakh</b>	5,29,200 Equity Shares of ₹ 10.00 each at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹ 555.66 Lakh.
<b>Allocation to Non-Institutional Investors for above ₹2.00 Lakh</b>	5,29,200 Equity Shares of ₹ 10.00 each at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹ 555.66 Lakh.

## OBJECT OF THE ISSUE

The Net Proceeds of the Issue are proposed to be used in accordance with the details provided in the following table:

(₹ in Lakhs)

Particulars	Amount
Working Capital Requirements	455.00
General Corporate Purpose	150.94
<b>Total</b>	<b>605.94</b>



## PRE – ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

Category of Promoters	Pre – Issue	
	No. of Shares	As a % of paid-up Equity Capital
1. Promoters	36,29,150	99.99
2. Promoter Group	70	Negligible

## SUMMARY OF RESTATED FINANCIAL INFORMATION

Particulars	For the financial year ended on		
	March 31, 2022	March 31, 2021	March 31, 2020
	Consolidated	Consolidated	Consolidated
Share Capital	51.85	51.85	51.85
Reserves and surplus	749.21	313.74	273.21
Net Worth	801.06	365.59	325.06
Total Income	11,689.10	1,842.41	18.99
Profit after Tax	440.47	40.53	13.75
Total Borrowings	0.00	45.61	55.22
Other Financial Information			
Basic & Diluted EPS (₹) (Post Bonus)	11.50	0.83	0.39
Return on Net worth (%)	52.09	8.23	4.30
Net Asset Value Per Share (₹) (Pre-Bonus)	154.50	70.51	62.69
Net Asset Value Per Share (₹) (Post Bonus)	22.07	10.07	8.96

## QUALIFICATION OF THE AUDITORS

The Auditors' Report of Audited Restated Consolidated Financial Statements for the Financial Years ended on March 31, 2022, 2021 and 2020, does not contain any qualification which have not been given effect to in Restated Consolidated Financial Statements.

## SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

Nature of Cases	Number of Cases	Total Amount Involved (In ₹.)
<b>Proceedings against our Company</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	3	0.58
<b>Proceedings by our Company</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	12	13.37
<b>Proceedings by our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Directors</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	3	NIL
	9	13.37
	3	0.22
<b>Proceedings by our Directors</b>		
Civil	NIL	NIL

Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Group Companies</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	Outstanding Demand – 8	1025.63
	E-Proceedings - 8	NIL
<b>Proceedings by our Group Companies</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL

\*To the extent quantifiable excluding interest and penalty thereon

# Directors excluding Promoters

For the details of litigation proceedings, please refer the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 159 of this Draft Prospectus.

## RISK FACTORS

Investors should read chapter titled “*Risk Factors*” beginning on page 27 of this Draft Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES

Except as stated below, our Company does not have any Contingent Liabilities as on March 31, 2022:

(₹ in Lakhs)

Sr. No.	Particulars Amount	Particulars Amount
1	Income Tax demands / Notices before CIT Appeals / TDS	0.58
2	Bank Guarantees / Corporate Guarantees	NIL
<b>Total</b>		<b>0.58</b>

For further information, please see “*Financial Statements as Restated*” beginning on page 145 of this Draft Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

Our Company has entered into certain transactions with our related parties including our Promoters, Promoter Group, Directors and their relatives as mentioned below:

(Rs in Lakh)

Particulars	For the financial year ended on		
	March 31, 2022	March 31, 2021	March 31, 2020
	Consolidated	Consolidated	Consolidated
Remuneration	20.68	0.00	0.00
Loan Taken/ Repayment Received	1,635.07	228.11	2.00
Amount repaid / Loan given	2,023.21	231.05	0.00
Rent Paid	1.05	0.40	0.00
Reimbursement of Office Expenses	0.69		0.00
Sales Made	0.00	1.94	0.00
Outstanding Balances Written Off	0.00	0.00	18.99
<b>Total</b>	<b>3,680.70</b>	<b>461.50</b>	<b>20.99</b>

For details of the Related Party Transactions as reported in the Restated Financials, please refer “*Financial Statements as restated– Related Party Transaction*” beginning on page 145 of this Draft Prospectus.

## FINANCING ARRANGEMENTS

There are no financing arrangements whereby our Promoters, members of Promoter Group, the Selling Shareholders, the Directors of our Company and their relatives and financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 months immediately preceding the date of filing of this Draft Prospectus.

## WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS AND SELLING SHAREHOLDERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS DRAFT PROSPECTUS

The weighted average price of Equity Shares acquired by our Promoters and Selling Shareholders in the last one year preceding the date of this Draft Prospectus is as below:

Name of the Promoters and Selling Shareholders	Weighted Average Price (₹)
Mr. Mahendra Ahuja	NIL
Ms. Roma Ahuja	NIL

Our promoters has acquired Equity Shares in the last one (1) year preceding the date of this Draft Prospectus, under the bonus issue, thus the weighted average price of equity share is NIL

## AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoters as at the date of this Draft Prospectus is:

Name of the Promoters	Average Cost of Acquisition (₹)
Mr. Mahendra Ahuja	2.91
Ms. Roma Ahuja	0.22

## PRE-IPO PLACEMENT DETAILS

Our Company has not proposed any Pre-IPO Placement in this Issue.

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

Other than as disclosed in “*Capital Structure*” beginning on page 59 of this Draft Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Draft Prospectus.

## SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Other than as disclosed in “*Capital Structure*” beginning on page 59 of this Draft Prospectus, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus.

## SEBI EXEMPTION

Our Company has not applied or received any exemption from complying with any provisions of Securities Law by SEBI.

## **SECTION III: RISK FACTORS**

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “***Our Business***” beginning on page 99, “***Our Industry***” beginning on page 88 and “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” beginning on page 146 respectively, of this Draft Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “***Definitions and Abbreviations***” beginning on page 4 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as Internal and External for clarity and better understanding.

### **INTERNAL RISKS**

#### **A. BUSINESS RELATED RISKS**

- 1. There are outstanding legal proceedings involving our Company, our associate company, our group entity Promoters and Directors. Any adverse decision in such proceeding may have a material adverse effect on our business, results of operations and financial condition.***

There are certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. For the details of the cases please refer the chapter titled “***Outstanding Litigations and Material Developments***” beginning on page 159 of this Draft Prospectus A summary of the pending civil and other proceedings involving Our Company is provided below:

A classification of legal proceedings is mentioned below:

(₹ in Lakhs)

Nature of Cases	Number of Cases	Total Amount Involved (In ₹.)
<b>Proceedings against our Company</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	3	0.58
<b>Proceedings by our Company</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	12	13.37
<b>Proceedings by our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Directors</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	3	NIL
	9	13.37
	3	0.22
<b>Proceedings by our Directors</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Group Companies</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	Outstanding Demand – 8	1025.63
	E-Proceedings - 8	NIL
<b>Proceedings by our Group Companies</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL

\*To the extent quantifiable excluding interest and penalty thereon

# Directors excluding Promoters.

## 2. Our company derives significant revenue from trading coal.

Our Company is engaged in the business of buying and selling of coal. We import almost all our coal from international market. Our company is not engaged in any other activity other than trading of coal, so our entire revenue is based on trading of Coal. As on a date of filing of Draft Prospectus, our company only trade in coal. Coal is a commodity and its price is based on supply and demand. There can be shortage of coal and can be abundance of it and based on this, there are fluctuations in the rates of coal at international market. If our company is unable add new products to our business operation we would be corned to a single product and any disruption in its operations would cause a significant impact on our operations. Also, if our company fails to tackle the price fluctuations it would may cause a loss to our company.

## 3. Fluctuation in prices, non-availability or high cost of quality of coal may have an adverse effect on our business, results of operations and financial condition.

Timely procurement of coal, as well as the quality and the price at which they are procured, play an important role in the successful operation of our business. An increase in the price of gold and silver may result in an increase in our income from sales assuming such increases do not adversely affect sales volumes. However, a significant increase in the price gives a negative outlook on future of coal prices could, in the short term, adversely affect our sales volumes and increase our procurement costs. The prices and supply of these materials depend on factors beyond our control, including general economic conditions, competition, production levels and regulatory factors such as import duties. However, such increase



has not resulted in an increase in our operational cost since any increases in the prices of raw materials are passed on to the customer. We cannot assure that we will be able to procure quality raw materials at competitive prices or at all. Further, any rise in prices may cause customers to delay their purchases, thereby adversely affecting our business, operations and financial condition.

**4. *We have recently started the business of trading of coal.***

Our company was incorporated in the year 2008 in the name and style of M R Agriculture Private Limited. Initially our company was engaged in the business of trading of agriculture products. Our promoters saw an opportunity in trading of coal and hence decided to start trading of minerals. We started trading of coal from the financial year 2020-2021. We are still new in the business of trading coal and our promoters has not previously been involved in the same line of business. So, any wrong decision taken by the company may impact the business of company, which may result in financial loss to the company.

**5. *We generally do business with our customers on purchase order basis and do not enter into long term contracts with most of them. Our business is dependent on our continuing relationships with our customers.***

Our Company neither has any long-term contract with any of customers nor has any marketing tie up for our products. Further, our Company has not appointed any exclusive agents for handling its operations. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations. We have not entered in any agreement with our customers, we work on the basis of purchase order basis.

**6. *Our inability to identify customer demand accurately and maintain an optimal level of inventory may impact our operations net sales, profitability, cash flow and liquidity adversely.***

The success, continuous and smooth operations of our business is dependent on our ability to effectively manage our inventory, to receive the timely delivery of our finished products from our suppliers, to anticipate and forecast customer demand and trends. Any error in our forecast could result in either surplus stock, which we may not be able to sell in a timely manner, or at all, or under stocking, which could affect our ability to meet customer demand. Maintaining an optimal level of relevant inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products at our showrooms. Further, if our management misjudges the expected customer demand, it could adversely impact the results by causing either a shortage or an accumulation of excess inventory. Although we monitor our daily sales to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we over-stock inventory, our capital requirements will increase, and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any material mismatch between our forecast and actual sales could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation. Stock of inventory may also be impacted by disruptions faced in the transportation of our products or other adverse developments in the process.

**7. *Our business is capital intensive. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, there may be an adverse effect on our operations.***

Our business requires a significant amount of working capital which is based on certain assumptions, and therefore, any change of such assumptions would result in changes to our working capital requirements. In many contracts, significant amounts of working capital are required to finance the purchase or manufacturing of materials, mobilization of resources and other work on projects before payment is received from clients. Our working capital requirements may increase due to an increase in the size of our operations and the number and size of projects that are required to be executed within a similar timeframe. Our capital expenditure requirements and growth strategy thus require continued access to significant amounts of capital on acceptable terms. We cannot assure you that market conditions and other factors will permit future project and acquisition financings, debt or equity, on terms acceptable to us. Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from financial institutions, the amount and terms of our existing indebtedness, investor confidence, the continued success of current projects and laws that are conducive to our raising capital in this manner.

**8. *Heavy dependence on our Promoters for the continued success of our business through his continuing services, strategic guidance and support.***

We are heavily dependent upon the continued services of our Promoters, along with support of our management team for the continuous success and growth of our organization. Our promoter Mr. Mahendra Ahuja is responsible for the execution

of our day-to-day business affairs. Also prior to the incorporation and acquisition of the business he was running business under the proprietorship concern which have been acquired by our Company. The loss of our Promoters or failure to recruit suitable or comparable replacements could have an adverse effect on our business operations and growth strategies. For Details of our Promoters, please refer chapter titled “*Our Promoters and Promoter Group*” beginning on Page 136 of this Draft Prospectus.

***9. Our business experiences an increase in sales during the summer season in India which lasts from March till July.***

Our business is experience significant increase in our sales during the summer season in India. In India electricity is still generated from coal, during the summer season the consumption of electricity increase across India and since maximum power plants in India operates on thermal energy, the demand for coal increases during summer seasons. Any, significant shortfall in sales or our inability to cope up with the growing demands during this period during these periods, would affect our profitability and we would experience adverse effect on our results of operations.

***10. Our Registered Office are not owned by us. The same are occupied by us on a lease basis. Disruption of our rights as lessee or termination of the agreements with our lessor would adversely impact our operations and, consequently, our business.***

Our Registered Office from where we operate since the date of inception of our Company, is not owned by us. Our Company has been occupying the Registered Office located at Raipur, on lease basis through a lease deed dated April 1, 2022 entered into by our Company with our promoter, for a period of three years commencing from June 01, 2022. We believe that such transaction has been conducted on an arms-length basis, and there can be no assurance that our Company could not have achieved more favourable terms if had such transactions not been entered into with related parties. We cannot assure that our Company will be able to successfully renew the said lease agreement on expiry of the lease period. Further, we cannot assure that we will not face any disruption in respect of our rights as a lessee and that such lease agreement will not be terminated prematurely by the lessee. Any such non-renewal or early termination or any disruption of our rights as lessee may require us to vacate the premises and relocate to a new premises on terms that may not be favourable to us thereby adversely affecting our business, financial conditions and results of operations.

***11. If we fail to cost-effectively turn existing customers into repeat customers or to acquire new customers, our business, financial condition, and results of operations would be harmed.***

The growth of our business is dependent upon our ability to continue to grow by cost-effectively turning existing customers into repeat customers and adding new customers. Although we believe that many of our customers originate from word-of-mouth and other non-paid referrals, we expect to continue to acquire additional customers, all of which could impact our overall profitability. If we are not able to continue to expand our customer base or fail to retain customers, our net sales may grow more slowly than expected or decline. Our ability to attract new customers and increase net sales from existing customers also depends in large part on our ability to enhance and improve our existing products and to introduce new products and services that appeal to the customers, in each case, in a timely manner. We also must be able to identify and originate trends, as well as anticipate and react to changing consumer demands in a timely manner. The success of new products and services depends on several factors, including their timely introduction and completion, sufficient demand, and cost effectiveness. While we except improvements in the performance of our business and operations, any flaws or dissatisfaction with the quality, pricing of products, or changes we make to our products and services or our inability to provide high-quality support to customers or help resolve issues in a timely and acceptable manner, our ability to attract and retain customers could be adversely affected. If our number of customers declines or fluctuates for any of these or other reasons, our business would suffer and lead to negative publicity of our brand.

***12. The COVID-19 pandemic has had, and is expected to have, a material adverse effect on our business, financial condition, results of operations and cash flows.***

In late 2019, a novel strain of coronavirus (“COVID-19”) emerged and by March 11, 2020, it was declared a global pandemic by the World Health Organization. The spread of COVID-19 and the recent developments surrounding the global pandemic have had, and may continue to have, repercussions across local, national and global economies and financial markets. On March 14, 2020, India declared COVID-19 as a ‘notified disaster’ and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices. While the recently commenced vaccination drive in India is a positive development, the COVID-19 pandemic has affected and is expected to continue to affect our business and operational performance in the near future. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have reacted by taking measures, such as instituting quarantines, restricting travel, prohibiting people from assembling in heavily populated areas, issuing lockdown orders and restricting the types of businesses that may continue to operate, ‘stay-at-home’ orders, and enforcing remote working regulations.

These measures have led to a significant decline in economic activities, and has had and is having an unprecedented effect and a significant negative impact on the global real estate industry. The impact of Coronavirus on the Indian real estate sector was stifling to the point that it brought property transactions to a near-halt when the nation went into a complete lockdown during both waves. Since then, the market has taken several strides towards recovery, and just when it seemed the revival was not far, the country is struck by another variant of the virus, Omicron. However, it is too early to predict whether the emerging variant will have repercussions on housing demand and sales or not. The impact of a new and alarming variant of the COVID-19, Omicron, on the real estate sector will be entirely dependent on the severity of the infection, and resultant announcement of lockdown/s. Health experts opine that while the Omicron variant does not seem to have manifested serious symptoms so far, nothing could be said conclusively till we have more data. The realty industry has not seen any immediate impact on site visits, new bookings and launches so far. But with Delhi Government announcing a yellow alert and UP resorting to a state-wide night curfew, we might be heading to an economic slowdown, once again. Omicron could lead to a continuation of the real estate trends reported during the previous two waves. Meanwhile, the new COVID-19 variant has raised concerns across the country, considering the spike in the number of cases in metro cities, especially Delhi, Mumbai and Chennai. We have implemented certain measures and modified certain policies in light of the COVID-19 pandemic.

***13. Our inability to obtain no objections from our lenders for the Issue, in a timely manner or at all could adversely affect raising of funds.***

Our Company is required to obtain prior no objections from our consortium banks pursuant to restrictive covenants contained in the loan documents. Our Company has applied for no-objection/consents from the bank. Our inability to obtain such no objection certificate in a timely manner or at all, may adversely affect timely raising of funds.

***14. Our business is substantially dependent on our key customers from whom we derive a significant portion of our revenues. The loss of any significant clients may have a material and adverse effect on our business and results of operations.***

We derive a significant portion of our revenues from a limited number of customers which operate in the Coal Trading Industry. For the year ended March 31, 2022 our top 10 customers cumulatively accounted for approximately 96.66 % of our total revenue from operations as per the Restated Financial Statements. In the event any one or more customers cease to continue doing business with us, our business may be adversely affected. The loss of such customers may be caused mainly because of competition and technological advancements. There may be factors other than our performance, which may not be predictable, which could cause loss of customers. Further, any significant reduction in demand for our services from our key customers, any requirement to lower the price offered by these customers, or any loss or financial difficulties caused to these customers, change in relationship with the customers could have a material adverse effect on our business, result of operations, financial condition and cash flow. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods, or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

***15. We operate in a highly competitive industry, which could limit our ability to grow.***

As a trader of Coal providing a variety of coal such as South African Coal, Indonesian Coal, India Coal and American Coal to our clients, we compete with a range of organized and unorganized competitors, depending on the nature and location of goods provided. Such competitors collectively compete with the majority of our product. The market for traders in coal is highly competitive with few organized players and localised smaller unorganised players. Important factors affecting competition in the sector include, existing relationship with the clients, reliability, quality, price, past track record. Our competitor's companies that may have greater financial, marketing or other resources than we do and, therefore, may be better able to compete for new work and skilled professionals. Our competitors may be willing and able to develop and provide product offerings faster or at a lower price than us. Our competitors also may affect our business by entering into exclusive arrangements with existing or potential clients. Growing competition may result in a decline in our market share and force us to reduce our margins and revenues. There can be no assurance that we will be able to compete successfully against such competitors or that we will not lose our key employees or clients to such competitors. Additionally, we believe that our ability to compete also depends in part on factors outside our control, such as the availability of skilled resources, the price at which our competitors offer comparable services, and the extent of our competitors' responsiveness to their clients' needs. If we are unable to remain sufficiently competitive, or are unable to keep pace with them, our business and operating results will be adversely affected. For further details, refer paragraph on "Competition" under the chapter titled "***Our Business***" beginning on page 99 of this Draft Prospectus.

**16. *We have not Complied with the Provisions of section 129(4) of the Companies Act 2013 and Accounting Standard 23 while preparing the financial statements.***

We have not complied with the provisions of section 129(4) of the Companies Act 2013 while preparing the financial statements. Our company holds 36.00% in company named M Ahuja Project India Private Limited. It makes mandatory for our company to make consolidated financial statements. Our company has not prepared the same, however no notice has been received by the Company from the office of registrar of Companies for this violation. In future, the company may require to pay the penalty for non-compliance of the provisions of the Companies Act, 2013. Any developments in the proceedings, against us, our Directors and/ or our Promoters may constrain us to make provisions in our financial statements which may have an adverse impact on our business, goodwill, result of operations and financial condition.

**17. *Significant security breaches in our computer systems and network infrastructure and fraud could adversely impact our business.***

We seek to protect all the computer systems and network infrastructure in our offices from physical break-ins as well as security breaches and other disruptive problems. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and networks. To address these issues and to minimise the risk of security breaches we employ security systems, including firewalls and intrusion detection systems, conduct periodic penetration testing for identification and assessment of potential vulnerabilities and, use encryption technology for transmitting and storing critical data such as passwords. However, these systems may not guarantee prevention of frauds, break-ins, damage and failure. A significant failure in security measures could have an adverse effect on our business.

**18. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licences or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. In addition, we are subject to laws and regulations relating to, among others, environmental approvals in respect of the project, minimum wages, working hours, health and safety of our labourers and requirements of registration of contract labour. Although we believe that our contractual arrangements are substantially in compliance with such laws and regulations, statutory authorities may allege non-compliance and we cannot assure you that we will not be subject to any such regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. For further details, please see chapters titled "**Key Industry Regulations and Policies**" and "**Government and Other Statutory Approvals**" beginning on page 105 and 165 respectively of this Draft Prospectus.

**19. *We require several approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of "Reetech International Cargo and Courier Limited" from "Reetech International Cargo and Courier Private Limited" pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-obtaining or non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. For example, we have applied or yet to apply after our company's name was changed from Reetech International Cargo and Courier Private Limited to Reetech International Cargo and Courier Limited. Further, we require to keep already obtained valid key approvals such as Tax Registrations, IEC Code, for running our operations in a smooth manner. Further, we are also required to obtain certificate of Shops and Establishment Act License and ESIC which are yet to be applied by the Company. There can be no assurance that the



relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “**Key Industry Regulations and Policies**” and “**Government and Other Statutory Approvals**” beginning on page 105 and 165 respectively of this Draft Prospectus.

***20. We face significant risk with regard to length of time needed to provide our product to the client and there could be unscheduled delays and cost overruns in relation to our orders.***

As on the date of this Draft Prospectus, our Company is recognized by our clients for quality and timely delivery of the product. There has not been any material past instances of unscheduled delays with respect to our completed projects and phases thereof that have caused any material cost overruns. However, our business is extremely dynamic in nature and there could be unscheduled delays and cost overruns in relation to our ongoing or orders. During the time there can be changes to the national, state and local business conditions and regulatory environment, local market conditions, perception of prospective clients with respect to the convenience and attractiveness of the project and changes with respect to competition from other companies. Further, any changes to the business environment such as non-availability of raw materials or increase in cost of construction materials during such time may affect the cost and revenues associated with the project and may ultimately affect the timelines of a project. We cannot assure you that we will be able to complete our projects within the expected budgets and time schedules at all. We may be penalized from the regulatory authorities as well as our client for delay in completion of project.

***21. We have had certain inaccuracy in relation to regulatory filings to be made with the RoC.***

In the past, there have been some instances of incorrect filings or delay in filing statutory forms with ROC, which have subsequently been filed along with payment of additional fees, as specified by ROC. Although no show cause notice has been issued against our Company till date in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected. Also, with the expansion of our operations there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

***22. Our business is subject to various operating risks at our sites, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.***

Our business operations are subject to operating risks, such as breakdown or failure of equipment’s used at the project sites, weather conditions, interruption in power supply, shortage of consumables, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, accidents, our inability to respond to technological advancements and emerging realty industry standards and practices along with the need to comply with the directives of relevant government authorities. The occurrence of these risks, if any, could result in stoppage of work along with penalty in monetary terms. Any stoppage of work may result in a delay in completing our projects leading to failure to deliver the real estate to the customers within the time frame. Further, any of the aforesaid risks may also result in our contractors compromising on the quality standards in order to finish the work within the given timelines, which may in turn affect our reputation and ability to attract new customers. If any of the above were to occur, it would significantly affect our operating results, and the slowdown of business operations may have a material adverse effect on our business operations and financial conditions.

***23. 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 financial position of the Company to that extent.***

Our company has not complied with certain statutory provisions in the past including but not limited to the following:

- Provisions of SS-1 and SS-2 of the Companies Act, 2013 were not fully complied by the company at the time of preparation of the documents for filling of forms.

- Some Provisions of Section 12 of the Companies Act, 2013.
- Some attachment which was to be attached in the forms filed are not attached by the Company.
- Certain ROC forms like Form 23B for the financial year 2008-09, 2009-10 and 2010-11 and Form 23AC for financial year 2013-14 are untraceable. On conducting ROC search, the same was not traced on the MCA portal.
- Company has not filed form AOC-4 CFS, since the year 2007 till the year 2021
- Supporting documents attached in some of the Forms are not signed and stamped by the requisite authority Any penalty or action taken by any regulatory authority in future for non-compliance with provisions of corporate and other law could impact financial position of the company to that extent.
- The Company had changed its name from M R Agriculture Private Limited to Reetech International Cargo and Courier Private Limited in the year 2020. Now, as per the Companies Act, 2013 the Company is required to mention its previous name at all places where it mentions its new Name, However the Company did not comply with same.

**24. *Our business is manpower intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

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

We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain, flexible policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**25. *Our company is still in the process of compiling information with respect to Total Outstanding Due to MSME Creditors.***

As on the date of filing of this Draft Prospectus, our Company is still in the process of compiling information with respect to Total Outstanding Due to MSME Creditors. Further, details pertaining to amounts due towards our creditors are not available on the website of our Company. Our inability to accurately forecast the total number of MSME Creditors and total amount due to them could adversely affect our business operations and cash flows and also affect our ability to continue to manage and expand our business.

**26. *Our success depends in large part upon our qualified personnel, including our senior management, directors and key personnel and our ability to attract and retain them when necessary.***

Our operations are dependent on our ability to attract and retain qualified personnel. While we believe that we currently have adequate qualified personnel, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. The loss of the services of our qualified personnel may adversely affect our business, results of operations and financial condition. 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 the qualified employees that our business requires. Furthermore, our senior management team is integral to the success of our business. However, we cannot assure you that we will be able to retain any or all of our management team. Any loss of our senior management or key personnel or our inability to recruit further senior managers or other key personnel could impede our growth by impairing our day-to-day operations and hindering our development of ongoing and planned projects and our ability to develop, maintain and expand customer relationships.



***27. We will continue to be controlled by our Promoters and certain related entities after the completion of the Offer.***

As of the date of this Draft Prospectus, our Promoters and Promoter Group hold 100% of the issued, subscribed and paid-up equity share capital of our Company. Upon completion of the offer, our Promoters and Promoter group together will own 73.56 % of our equity share capital, which will allow them to continue to control the outcome of matters submitted to our Board or shareholders for approval. After this Issue, our Promoters will continue to exercise significant control or exert significant influence over our business and major policy decisions, including but not limited to the following:

- controlling the election of directors;
- controlling the selection of senior management;
- approving significant corporate transactions, including acquisitions and disposals of our assets or business, or change of control transactions;
- making overall strategic and investment decisions;
- approving our annual budgets; and
- amending our Memorandum and Articles of Association.

The interests of our Promoters and certain members of the Promoter Group may conflict with your interests and the interests of our other shareholders, and our Promoters and certain members of the Promoter Group could make decisions that may adversely affect our business operations, and hence the value of your investment in the Equity Shares.

***28. We are dependent on third party vendors for delivery of materials required to us from our suppliers and delivery of our products to our clients. Any failure on part of such vendors to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.***

We are engaged in the business of trading of coal. We do not own the fleet of vehicle to transport the coal from the ports to the place of delivery. Hence our company uses third party transportation. Our success depends on the smooth supply and transportation of the product delivering to our client's sites, which are subject to various uncertainties and risks. In addition, our product may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of product which may also affect our business and our results of operation negatively. A failure to maintain a continuous supply of materials in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations.

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

Our business processes require power facilities. The quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented/ augmented by alternative/ independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high in view of increasing oil prices and other constraints. We are mainly dependent on State Government for meeting our electricity requirements. Any defaults or non-compliance of the conditions may render us liable for termination of the agreement or any future changes in the terms of the agreement may lead to increased costs, thereby affecting the profitability. Further since we are majorly dependent on third party power supply; there may be factors beyond our control affecting the supply of power.

Any disruption / non availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

***30. Our business may be affected by severe weather conditions and other natural disasters.***

Our business activities may be materially and adversely affected by severe weather conditions, which may force us to evacuate personnel or curtail services, or suspend our operations or postpone delivery of our products to our clients. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our operations. High temperatures during summer months and the monsoon season could limit our ability to carry on our activities or to fully utilize our resources.

**31. *We face competition in our business from organized players, which may adversely affect our business operation and financial condition.***

The market in which our company is doing business is highly competitive on account of organized players. Players in this industry generally compete with each other on key attributes such as technical competence, experience, pricing and timely delivery. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

**32. *Our Company will not receive any proceeds from the Offer for Sale.***

This Offer comprises of an offer for sale of 5,17,200 Equity Shares by Mr. Mahendra Ahuja and Ms Roma Ahuja. The proceeds from the Offer pertaining to the above sale shares will be paid to Selling Shareholders for the Equity Shares offered by them in the Offer and we will not receive any proceeds from the Offer. For further details, please refer the chapter titled “*Objects of the Issue*” beginning on page 77 of this Draft Prospectus.

**33. *General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.***

Our business is highly dependent on economic and market conditions in India and other jurisdictions where we operate. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, foreign direct investment, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions. Market conditions may change rapidly and the Indian capital markets have experienced significant volatility in the past. The Indian economy has had sustained periods of high inflation in the recent past. If inflation or real interest rates were to rise significantly, the trends towards increased financial savings might slow down or reverse, our employee costs may increase and the sales of many of our products and services may decline.

**34. *Major fraud, lapses of internal control or system failures could adversely impact the company's business.***

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

**35. *We continue to explore the diversification of our business and the implementation of new services. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.***

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, innovations and/or exploring new products. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful in implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

**36. Our inability to manage growth could disrupt our business and reduce our profitability. We propose to expand our business activities in coming financial years.**

We expect our future growth to place significant demands on both our management and our resources. This will require us to continuously evolve and improve our operational, financial and internal controls across the organisation. In particular, continued expansion increases the challenges we face in:

- Our ability to acquire and retain clients for our services;
- Services, products or pricing policies introduced by our competitors;
- Capital expenditure and other costs relating to our operations;
- The timing and nature of, and expenses incurred in, our marketing efforts;
- Recruiting, training and retaining sufficient skilled technical and management personnel;
- Adhering to our high quality and process execution standards;
- Maintaining high levels of customer satisfaction;
- Developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

You should not rely on yearly comparisons of our results of operations as indicators of future performance. It is possible that in some future periods our results of operations may be below the expectations of public, market analysts and investors. If we are unable to manage our growth it could have an adverse effect on our business, results of operations and financial condition.

**37. Our Company has a negative cash flow in its financing activities in the year March 31, 2022, 2021 and 2020 and investing activities in the year March 31, 2022, details of which are given below. Sustained negative cash flow could impact our growth and business.**

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

(₹ in lakh)

Particulars	For the year ended March 31,		
	2022	2021	2020
Net cash (used in) / generated from operating Activities	334.51	69.68	17.20
Net cash (used in) / generated from investing Activities	(343.11)	0.13	11.79
Net cash (used in) / generated from financing Activities	(50.70)	(9.80)	(28.99)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations. For further details please see chapter titled “*Financial Statements as Restated*” beginning on page 145.

**38. We have entered into related party transactions in the past and may continue to do so in the future.**

Our Company has entered into various transactions with our Promoters and associate company. While we believe that all such transactions are conducted on arm’s length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter “*Related Party Transactions*” beginning on page 143 of this Draft Prospectus.

**39. *We have applied for registration of our name and logo but do not own the trademark legally as on date. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.***

We have applied for registration of our name and logo under the provisions of the Trademarks Act, 1999 and the said application is under process and as on date we do not own the trademark. As such we do not enjoy the statutory protections accorded to a registered trademark as on date. There can be no assurance that we will be able to register the trademark and the logo in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

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

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

**41. *The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.***

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract, that could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

**42. *Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.***

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. While we have not been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any such unauthorized transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

**43. *Our operating expenses include overheads that may remain fixed in the medium term. In case there is any decline in our operating performance, we may be unable to reduce such expenses.***

Our operating expenses include various fixed costs, which are as such, not dependent on sales revenue. Any shortfall in sales may cause significant variations in operating results in any particular quarter, as we would not be able to reduce our fixed operating expenses in the short term. The effect of any decline in sales may thereby be magnified because a portion

of our earnings are committed to paying these fixed costs. Accordingly, we believe that period-to-period comparisons of our results may not necessarily give a correct presentation of the performance and should not be relied upon as indications of future performance.

***44. Delays or defaults in payments from our clients could result into a constraint on our cash flows. The efficiency and growth of our business depends on timely payments received from our clients.***

In the event, our client's default or delay in making payments and clearing their dues, we may not have adequate resources to fund our business and implement our growth plans. This could have an adverse effect on the results of operations and our financial condition.

***45. Our insurance coverage may not adequately protect us against losses, and successful claims against us that exceed our insurance coverage could harm our results of operations and diminish our financial position.***

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. In addition, there are various types of risks and losses for which we do not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to us on acceptable terms. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, future financial performance and results of operations.

***46. There are no alternate arrangements for meeting our requirements for the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not yet identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer chapter titled "*Objects of the Issue*" beginning on page 77 of this Draft Prospectus.

***47. Our actual results could differ from the estimates and projections used to prepare our financial statements.***

The estimates and projections are based on and reflect our current expectations, assumptions and/ or projections as well as our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. There can be no assurance that our expectations, estimates, assumptions and/or projections, including with respect to the future earnings and performance will prove to be correct or that any of our expectations, estimates or projections will be achieved.

***48. Guarantees from Promoters & Director as well as others have been taken in relation to the debt facilities provided to us.***

In an event any of the guarantors withdraws or terminates this guarantee, the lender for such facilities may ask for alternate guarantee/s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee/s satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled "*Statement of Financial Indebtedness*" beginning on page 158 of this Draft Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization



of a gain on shareholder's investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "**Dividend Policy**" beginning on page 144 of this Draft Prospectus.

**50. Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.**

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships or joint venture across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. While we are currently evaluating opportunities and negotiating with several potential partners, we have not entered into any definitive agreements. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management's time and focus from operating our business to addressing challenges pertaining to acquisition and integration. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

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

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

**52. Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, and formulation of a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.**

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 the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that are not waived by our lenders or are not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. Though these covenants are restrictive to some extent to the Company however it ensures financial discipline, which would help the Company in the long run to improve its financial performance.

For further information, see the chapter titled "**Statement of Financial Indebtedness**" beginning on page 158 of this Draft Prospectus.

**53. Some of the KMPs is associated with our company for less than one year.**

Our Key Management Personnel, Company Secretary is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter "**Our Management**" beginning on page 117 of this Draft Prospectus.

**54. There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.**

In accordance with Indian law and practice, permission to list the Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Approval will require all other relevant documents authorizing the issuing of our Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.



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

Since, the Issue size is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised from this Issue, is hence, at the discretion of the management and the Board of Directors of Our Company and Our Company's management will have flexibility in applying the proceeds of the Issue and will not be subject to monitoring by any independent agency. The fund requirement and deployment mentioned in the Objects of the Issue is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**56. *Negative publicity could adversely affect our revenue model and profitability.***

We work in the market where trust of the customers on us and upon the services provided by us matters a lot. Any negative publicity regarding our company or the services rendered by the company due to any other unforeseen events may affect our reputation and image which leads to the adverse effect on our business and goodwill as well.

**57. *Industry information included in this Draft Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

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

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

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

**Issue Specific Risks:**

**59. *There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges.

The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

***60. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- i. Volatility in the Indian and global capital market;
- ii. Company's results of operations and financial performance;
- iii. Performance of Company's competitors,
- iv. Adverse media reports on Company or pertaining to the agriculture Industry;
- v. Changes in our estimates of performance or recommendations by financial analysts;
- vi. Significant developments in India's economic and fiscal policies; and
- vii. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

***61. You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Draft Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

***62. The Issue price of our Equity Shares may not be indicative of the market price of our Equity shares after the issue.***

The Issue price of our equity Shares has been determined by fixed price method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuation 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. For further details you may refer chapter titled "***Basis for Issue Price***" beginning on page 83 of this Draft Prospectus.

Some of the factors which may affect our share price without limitations are as follows:

- a. Reports on research by analysts.
- b. Changes in revenue.
- c. Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- d. General Market Condition
- e. Domestic and International Economy.

**63. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the Trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

**EXTERNAL RISKS**

**Industry Related Risks:**

**64. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

**65. *Malpractices by some players in the industry affect overall performance of emerging Companies***

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

**Other Risks:**

**66. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long-Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long-term capital gains exceeds ₹ 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of ₹ 1,00,000/- p.a. shall be chargeable at the rate of 10%. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

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

As stated in the reports of the Auditor included in this Draft Prospectus under chapter “**Financial Statements as Restated**” beginning on page 145 the financial statements included in this Draft Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Draft Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Prospectus. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

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

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

**69. Financial instability in Indian Financial Markets could adversely affect our Company’s results of operation and financial condition.**

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, 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. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company’s business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

**70. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in this Draft Prospectus.**

While facts and other statistics in this Draft Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “**Our Industry**” beginning on page 88 of this Draft Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer

debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency a magnitude, which may negatively affect our stock prices.

***72. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. 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 Rupee proceeds from a 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 authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

***73. Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.***

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

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

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

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

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.



## SECTION IV: INTRODUCTION

### THE ISSUE

The following is the summary of the Issue:

<b>Equity Shares Offered</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company and the Selling Shareholders <sup>(2)</sup>	Issue of 11,14,800 Equity Shares of ₹10.00 each for cash at a price of ₹105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹ 1,170.54 Lakh.
<b>The Issue consists of:</b>	
<b>Fresh Issue</b>	5,97,600 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹ 627.48 Lakh.
<b>Offer for Sale</b>	5,17,200 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹ 543.06 Lakh.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	56,400 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹ 59.22 Lakh.
<b>Net Issue to the Public</b>	10,58,400 Equity Shares of ₹10.00 each for cash at a price of ₹105.00 per Equity Share (including premium of ₹95.00 per Equity Share) aggregating to ₹ 1,111.32 Lakh.
<b>Out of which:</b>	
<b>Allocation to Retail Individual Investors for upto ₹2.00 Lakh</b>	5,29,200 Equity Shares of ₹ 10.00 each at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹ 555.66 Lakh.
<b>Allocation to Non-Institutional Investors for above ₹2.00 Lakh</b>	5,29,200 Equity Shares of ₹ 10.00 each at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) aggregating to ₹ 555.66 Lakh.
<b>Pre and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	36,29,500 Equity Shares of ₹ 10.00 each
<b>Equity Shares outstanding after the Issue*</b>	42,27,100 Equity Shares of ₹ 10.00 each
<b>Objects of the Issue</b>	Please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 77 of this Draft Prospectus.

\*Assuming full allotment

<sup>(1)</sup> This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “*Issue Related Information*” beginning on page 179 of this Draft Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated July 15, 2022 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on August 01, 2022.

The Selling Shareholders have consented to participate in the Offer for Sale in the following matter:

Sr. No	Name of Selling Shareholders	Authorisation Letter dated	Consent Letter dated	No. of Equity Shares held	No. of Equity Shares Offered
1.	Mr. Mahendra Ahuja	August 10, 2022	August 10, 2022	15,43,150	2,20,400
2.	Ms. Roma Ahuja	August 10, 2022	August 10, 2022	20,86,000	2,96,800

The Selling Shareholders has confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholders has also severally confirmed that he is the legal and beneficial owners of the Equity Shares being offered by him under the Offer for Sale.



As per Regulation 253(2) of the SEBI (ICDR) Regulations, 2018, as amended from time to time, the allocation in the net issue to the public category shall be made as follows:

- i) Minimum 50% (fifty percent) to Retail Individual Investors; and
- ii) Remaining to:
  - a) Individual applicants other than retail individual investors; and
  - b) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

***Explanation to Regulations 253 of ICDR Regulations, 2018:*** *If the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

## SUMMARY OF FINANCIAL STATEMENTS

<b>REETECH INTERNATIONAL CARGO AND COURIER LIMITED</b> <b>(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)</b> <b>CIN: U51100CT2008PLC020983</b>			
<b><u>RESTATED CONSOLIDATED STATEMENT OF ASSETS &amp; LIABILITIES</u></b>			
<i>(Rs. in Lakhs)</i>			
Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
<b>I. <u>EQUITY AND LIABILITIES</u></b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	51.85	51.85	51.85
(b) Reserves and Surplus	749.21	313.74	273.21
<b>2 Non-Current liabilities</b>			
(a) Long-term Borrowings	-	45.61	55.22
<b>3 Current Liabilities</b>			
(a) Trade Payables			
i) Total Outstanding dues of Micro and Small Enterprises	-	-	-
ii) Total Outstanding dues of Trade Payables Other than Micro and Small Enterprises	148.05	62.51	-
(b) Other Current Liabilities	732.10	404.06	10.98
(c) Short-term Provisions	46.30	0.00	4.91
<b>TOTAL</b>	<b>1,727.52</b>	<b>877.78</b>	<b>396.17</b>
<b>II. <u>ASSETS</u></b>			
<b>1 Non-current Assets</b>			
Property, Plant & Equipment &			
(a) Intangible Assets			
(i) Property, Plant & Equipment	-	-	-
(ii) Capital Work-in-progress	-	-	-
(iii) Intangible Assets	-	-	-
(b) Non- Current Investments	414.32	391.14	380.70
(c) Long Term Loans & Advances	343.16	-	-
<b>2 Current Assets</b>			
(a) Inventories	189.16	79.01	-
(b) Trade Receivables	174.32	148.64	-
(c) Cash and Cash Equivalents	1.02	60.32	0.31
(d) Short Term Loans & Advances	600.00	183.57	15.16
(e) Other Current Assets	5.54	15.10	-
<b>TOTAL</b>	<b>1,727.52</b>	<b>877.78</b>	<b>396.17</b>

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**  
**CIN: U51100CT2008PLC020983**

**RESTATED CONSOLIDATED STATEMENT OF PROFIT & LOSS**

*(Rs. in Lakhs)*

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year en ded 31.03.2020
Revenue from operations	11,373.97	1,840.26	-
Other income	315.13	2.15	18.99
<b>Total Income</b>	<b>11,689.10</b>	<b>1,842.41</b>	<b>18.99</b>
<b><u>Expenses:</u></b>			
Purchase of Stock-in-trade	11,103.65	1,876.66	-
Changes in Inventories	(110.15)	(79.01)	-
Employee Benefit Expenses	25.59	-	-
Finance Cost	0.09	0.19	0.00
Depreciation and Amortization Expenses	-	-	-
Other Expenses	82.49	4.06	0.10
<b>Total Expenses</b>	<b>11,101.66</b>	<b>1,801.91</b>	<b>0.10</b>
<b>Profit before Exceptional Items</b>	<b>587.44</b>	<b>40.51</b>	<b>18.89</b>
<b>Exceptional Items</b>			
CSR Provision	4.31	-	-
<b>Profit/(Loss) before Tax</b>	<b>583.13</b>	<b>40.51</b>	<b>18.89</b>
<b>Tax Expenses:</b>			
Current Tax	165.84	10.41	4.91
Income Tax for earlier years	-	-	-
Deferred Tax	-	-	-
<b>Profit/(Loss) for the year</b>	<b>417.29</b>	<b>30.10</b>	<b>13.98</b>
Add: Share of Profit/(Loss) of Associates	23.18	10.43	(0.22)
<b>Profit/(Loss) for the year</b>	<b>440.47</b>	<b>40.53</b>	<b>13.75</b>
<b>Earnings per equity share:</b>			
Basic (in Rs.)	11.50	0.83	0.39
Diluted (in Rs.)	11.50	0.83	0.39

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**  
**CIN: U51100CT2008PLC020983**

**RESTATED CONSOLIDATED CASH FLOW STATEMENT**

(Rs. In Lakhs)

Particulars		For the Year ended 31st March, 2022	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
A	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
	Net Profit before tax	583.13	40.51	18.89
	Finance Cost	0.09	0.19	0.00
	CSR Provision	4.31	-	-
	Interest Income	(0.05)	(0.13)	-
	<b>Operating Profit before Working Capital Changes</b>	<b>587.48</b>	<b>40.57</b>	<b>18.89</b>
	<b>Adjusted for:</b>			
	Inventories	(110.15)	(79.01)	-
	Trade receivables	(25.68)	(148.64)	-
	Short Term Loans & Advances	(416.43)	(168.41)	(15.16)
	Other Current Assets	(114.28)	(30.43)	3.36
	Trade Payable	85.54	62.51	-
	Other Current Liabilities	328.04	393.08	10.10
	<b>Cash Generated From Operations</b>	<b>334.51</b>	<b>69.68</b>	<b>17.20</b>
	Payment of Income Tax (Net of Refund)	-	-	-
B	<b>Net cash generated/ (used in) from operating activities</b>	<b>334.51</b>	<b>69.68</b>	<b>17.20</b>
	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>			
	Purchase of Investment	-	0.00	(15.00)
	Long term loans & Advances	(343.16)	-	26.79
	Interest Income	0.05	0.13	-
C	<b>Net Cash used in Investing Activities (B)</b>	<b>(343.11)</b>	<b>0.13</b>	<b>11.79</b>
	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>			
	Issue expenses	(5.00)	-	-
	Finance Cost	(0.09)	(0.19)	(0.00)
	Movement of Long-Term Borrowings	(45.61)	(9.61)	(28.99)
	<b>Net Cash used in Financing Activities (C)</b>	<b>(50.70)</b>	<b>(9.80)</b>	<b>(28.99)</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(59.30)</b>	<b>60.00</b>	<b>(0.00)</b>
	<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>60.32</b>	<b>0.31</b>	<b>0.32</b>
	<b>Cash and Cash Equivalents at the end of the year</b>	<b>1.02</b>	<b>60.32</b>	<b>0.31</b>

## **SECTION V: GENERAL INFORMATION**

Our Company was originally incorporated on December 18, 2008 as a Private Limited Company in the name of “M R Agriculture Private Limited” vide Registration No. 020983 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh and Chhattisgarh. Further, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on June 15, 2020 name of our Company was changed to “Reetech International Cargo and Courier Private Limited” and a Fresh Certificate of Incorporation was issued by Registrar of Companies, Chhattisgarh. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on February 15, 2022 our Company was converted from a Private Limited Company to Public Limited Company and the name of our Company was changed to “Reetech International Cargo and Courier Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on April 12, 2022 by the Registrar of Companies, Chhattisgarh bearing Corporate Identification Number U51100CT2008PLC020983.

For further Details of Incorporation and Change in Registered Office of our Company, please refer to section titled ‘*Our History and Certain Other Corporate Matters*’ beginning on page 113 of this Draft Prospectus

<b>BRIEF COMPANY AND ISSUE INFORMATION</b>	
<b>Registration Number</b>	020983
<b>Corporate Identification Number</b>	U51100CT2008PLC020983
<b>Date of Incorporation as Private Limited Company</b>	December 18, 2008
<b>Date of Incorporation as Public Limited Company</b>	April 12, 2022
<b>Address of Registered Office</b>	"Sai Kunj" Civil Lines, Raipur- 492001, Chhattisgarh, India <b>Tel:</b> +91 77140 03800 <b>Email:</b> Info@reetechinternational.com <b>Website:</b> www.reetechinternational.com
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Chhattisgarh</b> 1 <sup>st</sup> Floor Ashok Pingley Bhawan, Municipal Corporation, Nehru Chowk, Bilaspur- 495001, Chhattisgarh, India. <b>Tel:</b> 07752-250092 / 250094 <b>Email Id:</b> roc.bilaspur@mca.gov.in <b>Website:</b> www.mca.gov.in
<b>Designated Stock Exchange</b>	<b>BSE Limited</b> <b>(SME Platform of BSE Limited)</b> P J Towers, Dalal Street, Fort, Mumbai– 400001, Maharashtra, India.
<b>Issue Programme</b>	Issue Opens on: [●] Issue Closes on: [●]
<b>Chief Financial Officer</b>	<b>Mr. Shakti Sinha</b> "Sai Kunj" Civil Lines, Raipur- 492001, Chhattisgarh, India <b>Tel:</b> +91 77140 03800 <b>Email:</b> cfo@reetechinternational.com <b>Website:</b> <a href="http://www.reetechinternational.com">www.reetechinternational.com</a>
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Chhaya Verma</b> "Sai Kunj" Civil Lines, Raipur- 492001, Chhattisgarh, India <b>Tel:</b> +91 77140 03800 <b>Email:</b> cs@reetechinternational.com <b>Website:</b> www.reetechinternational.com

## **OUR BOARD OF DIRECTORS**

Details regarding our Board of Directors as on the date of this Draft Prospectus are set forth in the table hereunder:

<b>Name</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Mr. Mahendra Ahuja	Managing Director	Sai Kunj, Kali Mata Mandir Road, Katora Talab, Civil Lines, Raipur- 492001, Chhattisgarh, India	00247075
Ms. Roma Ahuja	Executive Director	Sai Kunj, Kali Mata Mandir Road, Katora Talab, Civil Lines, Raipur- 492001, Chhattisgarh, India	00247153
Mr. Vijay Kumar Khilnani	Non-Executive Director	14 / 319 Ashok Niwas, Kelakarapara Ganj, Raipur Ganj, Bindrawangarh- 492009, Chhattisgarh, India	09308716

Mr. Mukesh Chandwani	Independent Director	125, Sector-1, Bhel Shakti Nagar, Bhopal-462023, Madhya Pradesh, India	09616819
Mr. Manish Kumar	Independent Director	Plot No. 22 / 2, Suchetapuri, Modinagar, Ghaziabad- 201204, Uttar Pradesh, India	09614422

For detailed profile of our Directors, refer “*Our Management*” beginning on page 117 respectively of this Draft Prospectus.

#### INVESTOR GRIEVANCES:

Investors may contact the Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or Lead Manager in case of any Pre-Issue or Post-Issue related problems, such as non-receipt of Letter of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as Name of the Sole or First Applicant, Application Form Number, Applicant’s DP ID, Client ID, PAN, Address of Applicant, Number of Equity Shares applied for, ASBA Account Number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), Date of Application Form and the Name and Address of the Relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the Application Number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Applicants submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

In terms of SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted / partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Manager shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount

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

LEAD MANAGER OF THE ISSUE	REGISTRAR TO THE ISSUE
<b>GRETEX CORPORATE SERVICES LIMITED</b> Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai- 400001, Maharashtra, India. <b>Tel. No.:</b> +91 – 22 – 4002 5273 / +91 96532 49863 <b>Email:</b> info@gretexgroup.com <b>Website:</b> www.gretexcorporate.com <b>Contact Person:</b> Ms. Dimple Magharam Slun <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> U74999MH2008PLC288128	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> S6-2, 6th Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India. <b>Tel. No.:</b> +91 – 22 – 6263 8200; <b>Fax No.:</b> +91 – 22 – 6263 8299 <b>Email:</b> ipo@bigshareonline.com <b>Investor Grievance Email:</b> investor@bigshareonline.com ; <b>Website:</b> www.bigshareonline.com <b>Contact Person:</b> Mr. Swapnil Kate <b>SEBI Registration No.:</b> INR000001385 <b>CIN:</b> U99999MH1994PTC076534
LEGAL ADVISOR TO THE ISSUE	STATUTORY AUDITOR OF THE COMPANY
<b>POOJA SHARMA</b> 8/14, 30, Malad Co-op Housing Society Limited, Poddar Park, Malad East, Mumbai - 400097 <b>Mob No:</b> 9022869773 <b>Email Id:</b> poojalegalventures@gmail.com <b>Bar Council No.:</b> MAH/5967/2013	<b>GUPTA AGARWAL &amp; ASSOCIATES</b> Chartered Accountants, Imax Lohia Square, 23, Gangadhar Babu Lane, 3rd Floor, Room No. 3A, Kolkata – 700012, West Bengal, India <b>Tel No.:</b> +91-9836432639 <b>E-mail:</b> guptaagarwal.associate@gmail.com



	<b>Contact Person:</b> Mr. Jay Shanker Gupta <b>Membership No.:</b> 059535 <b>Firm Registration No.:</b> 329001E <b>Peer Review No:</b> 013306
<b>BANKER TO THE COMPANY</b>	<b>BANKERS TO THE ISSUE / SPONSOR BANK</b>
[•]	[•]

#### CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

Sr. No	Date of Change	From	To	Reason for Change
1.	July 09, 2022	<b>Agrawal Sunil Kumar &amp; Co.</b> Chartered Accountants, M-52, Rajeev Nagar, Raipur- 492001, Chhattisgarh, India <b>Tel No:</b> +91 97525 40111 <b>E-mail:</b> sunilkharora@gmail.com <b>Contact Person:</b> Mr. Sunil Kumar Agarwal <b>Membership No.:</b> 075953 <b>Firm Registration No.:</b> 007023C	<b>Gupta Agarwal &amp; Associates</b> Chartered Accountants, Imax Lohia Square, 23, Gangadhar Babu Lane, 3 <sup>rd</sup> Floor, Room No. 3A, Kolkata – 700012, West Bengal, India <b>Tel No.:</b> +91 98364 32639 <b>E-mail:</b> <a href="mailto:guptaagarwal.associate@gmail.com">guptaagarwal.associate@gmail.com</a> <b>Contact Person:</b> Mr. Jay Shanker Gupta <b>Membership No.:</b> 059535 <b>Firm Registration No.:</b> 329001E <b>Peer Review No:</b> 013306	Casual Vacancy

#### SELF-CERTIFIED SYNDICATE BANKS

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Applicant, (other than an RII using the UPI Mechanism), not Applying through Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at the above-mentioned link, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form of Applicants is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time

#### INVESTORS BANKS OR ISSUER BANKS FOR UPI

In accordance with UPI Circulars, RIIs Applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>), as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

#### 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 SEBI ([www.sebi.gov.in](https://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

## **REGISTRAR AND SHARE TRANSFER AGENTS**

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

## **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

## **STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER / STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Gretex Corporate Services Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Manager is not required.

## **CREDIT RATING**

This being an Issue of Equity Shares, there is no requirement of credit rating for the Issue.

## **IPO GRADING**

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

## **EXPERT OPINION**

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

Our Company has received written consent from the Statutory Auditor namely M/s. Gupta Agarwal & Associates, Chartered Accountants, to include their name in respect of the reports on the Restated Consolidated Financial Statements dated August 13, 2022 and the Statement of Tax Benefits dated August 13, 2022, issued by them and included in this Draft Prospectus, as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under Section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **TRUSTEES**

This is an issue of equity shares hence appointment of trustees is not required.

## **MONITORING AGENCY**

Since the proceeds from the Fresh Issue does not exceed 10,000 Lakhs 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. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## **APPRAISAL AGENCY**

Our Company has not appointed any appraising agency for appraisal of the Project.

## **FILING OF ISSUE DOCUMENT**

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to Sub-Regulation (5) of Regulation 246, the copy of Draft Prospectus shall also be furnished to the board in a soft copy.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Prospectus along with the documents required to be filed under Section 26 and 28 of the Companies Act, 2013 will be delivered to the Registrar of Company, Chhattisgarh.

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company and Selling Shareholders withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company and Selling Shareholders withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated August 10, 2022 Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter have indicated its intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the Total Issue Size Underwritten
<b>Gretex Corporate Services Limited</b> Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15 Homi Modi Street, Fort, Mumbai – 400001, Maharashtra, India. <b>Tel. No.:</b> +91 22 4002 5273 / +91 96532 49863 <b>Email:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> <b>Website:</b> <a href="http://www.gretexcporate.com">www.gretexcporate.com</a> <b>Contact Person:</b> Ms. Dimple Magharam Slun <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> U74999MH2008PLC288128	10,58,400	11,11.32	94.94%
<b>Gretex Share Broking Private Limited</b> Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai – 400023, Maharashtra, India <b>Tel. No.:</b> +91-22-40025273 <b>Email:</b> <a href="mailto:sherwoodpvtltd@yahoo.co.in">sherwoodpvtltd@yahoo.co.in</a> <b>Contact Person:</b> Mr. Alok Harlalka <b>SEBI Registration No:</b> INZ000166934 <b>Market Maker Registration No.:</b> SMEMM0617628062012	56,400	59.22	5.06%
<b>TOTAL</b>	<b>11,14,800</b>	<b>1,170.54</b>	<b>100%</b>

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Lead Manager shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure / subscribe to Equity Shares to the extent of the defaulted amount. If the Underwriter(s) fails to fulfil its underwriting obligations as set out in the Underwriting Agreement, the Lead Manager shall fulfil the underwriting obligations in accordance with the provisions of the Underwriting Agreement.

#### DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into Market Making Agreement dated August 10, 2022 with the Lead Manager, and Market Maker to fulfil the obligations of Market Making

The details of Market Maker are set forth below:

<b>Name</b>	Gretex Share Broking Private Limited
<b>Address</b>	Office No. 13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai- 400023, Maharashtra, India
<b>Tel No.</b>	+91-22 4002 5273
<b>Email</b>	<a href="mailto:sherwoodpvtltd@yahoo.co.in">sherwoodpvtltd@yahoo.co.in</a>
<b>Contact Person</b>	Mr. Alok Harlalka
<b>CIN</b>	U65900MH2010PTC289361
<b>SEBI Registration No.</b>	INZ000166934
<b>Market Maker Registration No. (SME Segment of BSE)</b>	SME MM0617628062012

Gretex Share Broking Private Limited, registered with SME Platform of BSE Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the Market Making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil 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 BSE Limited and SEBI regarding this matter from time to time.

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

1. The Market Maker 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 shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1.00 Lakhs. However, the investors with holdings of value less than ₹ 1.00 Lakhs shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. 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% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Equity Shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
4. There shall be no exemption / threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.

6. 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. At this stage, Gretex Share Broking Private Limited is acting as the sole Market Maker
7. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed at SME Platform of BSE Limited and Market Maker will remain present as per the guidelines mentioned under the BSE Limited and SEBI circulars.
8. 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.
9. The Market Maker shall have the right to terminate said arrangement by giving a three-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.
10. 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 Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
11. SME Platform of BSE Limited will have all margins which are applicable on the BSE Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
12. SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
13. 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.
14. Price Band and Spreads: 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:
  - a. 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.
  - b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

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

Sr. No.	Market Price Slab (in ₹)	Proposed Spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

- 1) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) 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 Crores	25%	24%
₹ 20 to ₹ 50 Crores	20%	19%
₹ 50 to ₹ 80 Crores	15%	14%
Above ₹ 80 Crores	12%	11%

- 2) 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.

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



## SECTION VI: CAPITAL STRUCTURE

The Equity Share Capital of our Company, as on the date of this Draft Prospectus and after giving effect to the Issue is set forth below:

Sr. No.	Particulars	Amount (₹ in Lakhs except share data)	
		Aggregate Nominal Value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital (1)</b>		
	6,00,00,000 Equity Shares of ₹ 10.00 each	600.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	36,29,500 Equity Shares of ₹ 10.00 each	362.95	-
<b>C.</b>	<b>Present Issue in terms of this Draft Prospectus (2)</b>		
	Issue of 11,14,800 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share)	111.48	1,170.54
	Consisting of		
	Fresh Issue of 5,97,600 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share)	59.76	627.48
	Offer for Sale of 5,17,200 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share)	51.72	543.06
	<b>Which comprises:</b>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	56,400 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share)	5.64	59.22
<b>E.</b>	<b>Net Issue to the Public</b>		
	10,58,400 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share)	105.84	1,111.32
	of which (3):		
	5,29,200 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) will be available for allocation to Retail Individual Investors of upto ₹ 2.00 Lakh	52.92	555.66
	5,29,200 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 105.00 per Equity Share (including premium of ₹ 95.00 per Equity Share) will be available for allocation to Non-Institutional Investors including Qualified Institutional Buyers of above ₹ 2.00 Lakh	52.92	555.66
<b>F.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	42, 27,100 Equity Shares of ₹ 10.00 each	422.71	-
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue	250.65	
	After the Issue	818.37	

<sup>(1)</sup> For details in relation to the changes in the authorised share capital of our Company, please refer to section titled “Our History and Certain Other Corporate Matters - Amendments to our Memorandum of Association” beginning on page 113.

<sup>(2)</sup> The Issue has been authorized by a resolution of our Board of Directors through their meeting dated July 15, 2022 and by a special resolution of our Shareholders at Extraordinary General Meeting dated August 01, 2022.

<sup>(3)</sup> 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 Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

<sup>(4)</sup> The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Prospectus, and are eligible for being offered for sale pursuant to the Issue in terms of the SEBI (ICDR) Regulations. For details on authorisation of the Selling Shareholders in relation to his portion of Offered Shares, please refer to the chapters titled “**The Issue**” and “**Other Regulatory and Statutory Disclosures**” beginning on page 46 and 168 respectively of this Draft Prospectus. The Offer for Sale has been authorised by the Selling Shareholders by their consent letter dated August 10, 2022.

## CLASS OF SHARES

As on date of this Draft Prospectus, our Company has only one class of shares i.e., Equity Shares of ₹ 10.00 each. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of this Draft Prospectus.

## NOTES TO CAPITAL STRUCTURE

History of Issued Paid up capital

### 1. The history of the equity share capital of our Company is set forth below:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
Upon Incorporation (December 18, 2008)	10,000	10.00	10.00	Cash	Subscriber to the MOA (I)	10,000	1,00,000.00	0
March 28, 2009	2,30,000	10.00	10.00	Cash	Preferential Issue (II)	2,40,000	24,00,000.00	0
March 31, 2009	2,53,000	10.00	100.00	Cash	Preferential Issue (III)	4,93,000	49,30,000.00	2,27,70,000.00
February 20, 2012	25,500	10.00	100.00	Cash	Preferential Issue (IV)	5,18,500	51,85,000.00	22,95,000.00
August 8, 2022	31,11,000	10.00	0	Other than Cash	Bonus Issue (V)	36,29,500	3,62,95,000.00	0

#### i. Initial Subscribers to the Memorandum of Association of our Company on December 18, 2008:

Sr. No.	Name	No. of Equity Shares
1	Mr. Mahendra Ahuja	5,000
2	Ms. Roma Ahuja	5,000
<b>Total</b>		<b>10,000</b>

#### ii. Preferential Issue of 2,30,000 Equity Shares at a price of ₹ 10.00 per share on March 28, 2009:

Sr. No.	Name	No. of Equity Shares
1	Mr. Mahendra Ahuja	1,90,000
2	Ms. Roma Ahuja	40,000
<b>Total</b>		<b>2,30,000</b>

**iii. Preferential Issue of 2,53,000 Equity Shares at a price of ₹ 100.00 per share on March 31, 2009:**

Sr. No.	Name	No. of Equity Shares
1.	Koel Vyapar Private Limited	55,000
2.	Matrix Distributors Private Limited	20,000
3.	Muskan Dealers Private Limited	30,000
4.	Nawab Vyapar Private Limited	33,000
5.	Tanisha Marketing Private Limited	35,000
6.	Iceberg Commotrade Private Limited	20,000
7.	Sandal Wood Private Limited	20,000
8.	Truevally Vyapar Private Limited	20,000
9.	Wonderland Merchants Private Limited	20,000
	<b>Total</b>	<b>2,53,000</b>

**iv. Preferential Issue of 25,500 Equity Shares at a price of ₹ 100.00 per share on February 20, 2012:**

Sr. No.	Name	No. of Equity Shares
1	Mr. Mahendra Ahuja	25,500
	<b>Total</b>	<b>25,500</b>

**v. Bonus Issue of 31,11,000 Equity Shares of Face Value of ₹ 10.00 each fully paid allotted on August 08, 2022, in the ratio of 6:1 i.e., 6 (Six) Bonus Equity Shares for 1 (One) Equity Share held by the existing equity shareholders as on the record date**

Sr. No.	Name	No. of Equity Shares
1	Mr. Mahendra Ahuja	13,22,700
2	Ms. Roma Ahuja	17,88,000
3	Mr. Jitendra Nebhani	60
4	Mr. Vijay Kumar Khilnani	60
5	Ms. Anita Anilkumar Harchandani	60
6	Mr. Shakti Kumar Sinha	60
7	Mr. Manan Tandon	60
	<b>Total</b>	<b>31,11,000</b>

**2. Issue of Equity Shares for Consideration other than Cash.**

Except as disclosed in point 1 (v) above, we have not issued any Equity Shares for consideration other than cash.

- Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.
- We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme 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.

**6. Issue of Equity Shares at price lower than the Issue Price during the preceding 1 (one) year**

Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of this Draft Prospectus, except as disclosed in point 1 (v).

**7. Our Shareholding Pattern**

- The table below presents the current shareholding pattern of our Company as on the date of this Draft Prospectus.

**I. Our Shareholding Pattern: -**

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including convertible securities (as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								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	Class	Total								
A	Promoters & Promoter Group	3	36,29,220	-	-	36,29,220	99.99	36,29,220	-	36,29,220	99.99	-	99.99	-	-	-	-	36,29,220
B	Public	4	280	-	-	280	0.01	280	-	280	0.01	-	0.01	-	-	-	-	280
C	Non - Promoter Non - Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	36,29,500	-	-	36,29,500	100.00	36,29,500	-	36,29,500	100.00	-	100.00	-	-	-	-	36,29,500

\*As on date of this Draft Prospectus 1 Equity share holds 1 vote.

We have only one class of Equity Shares of face value of ₹ 10.00 each.

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 Stock Exchange before commencement of trading of such Equity Shares.

## II. Shareholding pattern of the Promoters and Promoter Group

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								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	Class	Total								
1)	Indian																	
A	Individuals / Hindu undivided Family	3	36,29,220	-	-	36,29,220	99.99	36,29,220	-	36,29,220	99.99	-	99.99	-	-	-	-	36,29,220
	Mr. Mahendra Ahuja	1	15,43,150	-	-	15,43,150	42.52	15,43,150	-	15,43,150	42.52	-	42.52	-	-	-	-	15,43,150
	Ms. Roma Ahuja	1	20,86,000	-	-	20,86,000	57.47	20,86,000	-	20,86,000	57.47	-	57.47	-	-	-	-	20,86,000
	Ms. Anita Anilkumar Harchandani	1	70	-	-	70	0.00	70	-	70	0.00	-	0.00	-	-	-	-	70
B	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Any Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								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	Class	Total								
	Sub-Total (A)(1)	3	36,29,220	-	-	36,29,220	99.99	36,29,220	-	36,29,220	99.99	-	99.99	-	-	-	-	36,29,220
2)	Foreign																	
a	Individuals (Non - Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoters and Promoter	3	36,29,220	-	-	36,29,220	99.99	36,29,220	-	36,29,220	99.99	-	99.99	-	-	-	-	36,29,220



Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Class-Equity	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)	
	<b>Group (A)= (A)(1) +(A)(2)</b>																	

\*As on date of this Draft Prospectus 1 Equity share holds 1 vote.

### III.Shareholding pattern of the public shareholder

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XD)= (VII)+(X) As	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								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	Class	Total								
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)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including convertible securities)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								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	Class	Total								
	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 upto ₹ 2 lakhs.	4	280	-	-	280	0.01	280	-	280	0.01	-	0.01	-	-	-	-	280
	Mr. Jitendra Nebhani	1	70	-	-	70	0.00	70	-	70	0.00	-	0.00	-	-	-	-	70
	Mr. Vijay Kumar Khilnani	1	70	-	-	70	0.00	70	-	70	0.00	-	0.00	-	-	-	-	70

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	Nos. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including convertible securities)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								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	Class	Total								
	Mr. Shakti Kumar Sinha	1	70	-	-	70	0.00	70	-	70	0.00	-	0.00	-	-	-	-	70
	Mr. Manan Tandon	1	70	-	-	70	0.00	70	-	70	0.00	-	0.00	-	-	-	-	70
	ii. Individual shareholders holding nominal share capital in excess of ₹ 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)	4	280	-	-	280	0.01	280	-	280	0.01	-	0.01	-	-	-	-	280

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including convertible securities (XI)= (VII)+(X) As diluted share capital)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								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	Class								Total	
	Total Public Shareholding (B)= (B)(1) + (B)(2) + (B)(3)	4	280	-	-	280	0.01	280	-	280	0.01	-	0.01	-	-	-	-	280

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

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								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	Class	Total								
1)	Custodian / DR Holder																	
	Name of Holder (if available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (c) (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2)	Employee Benefit Trust under SEBI (Share based Employee Benefit Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (C) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non - Promoter Non-Public shareholding (C ) = (C ) (1) + (C ) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



**b. Equity Shareholding of Directors and Key Managerial Personnel in our Company:**

Except as stated below, none of our Directors or Key Managerial Personnel hold any Equity Shares in our Company:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
1.	Mr. Mahendra Ahuja	15,43,150	42.52	13,22,750	31.29
2.	Ms. Roma Ahuja	20,86,000	57.47	17,89,200	42.33
3.	Mr. Shakti Kumar Sinha	70	0.00	70	0.00
	<b>Total</b>	<b>36,29,220</b>	<b>99.99</b>	<b>31,12,020</b>	<b>73.62</b>

**c. List of shareholders holding 1% or more of the paid-up capital of our Company:**

As on date of this Draft Prospectus:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1.	Mr. Mahendra Ahuja	15,43,150	42.52
2.	Ms. Roma Ahuja	20,86,000	57.47
	<b>Total</b>	<b>36,29,150</b>	<b>99.99</b>

**d. As on date ten days prior to the date of this Draft Prospectus:**

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1.	Mr. Mahendra Ahuja	15,43,150	42.52
2.	Ms. Roma Ahuja	20,86,000	57.47
	<b>Total</b>	<b>36,29,150</b>	<b>99.99</b>

**e. As on date one year prior to the date of this Draft Prospectus:**

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1.	Mr. Mahendra Ahuja	2,20,450	42.52
2.	Ms. Roma Ahuja	2,98,000	57.47
	<b>Total</b>	<b>5,18,500</b>	<b>99.99</b>

**f. As on date two year prior to the date of this Draft Prospectus:**

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1.	Mr. Mahendra Ahuja	2,20,500	42.53%
2.	Ms. Roma Ahuja	45,000	8.68%
3.	Mr. Jitendra Nebhani	1,26,500	24.40%
4.	Mr. Vijay Kumar Khilnani	1,26,500	24.40%
	<b>Total</b>	<b>5,18,500</b>	<b>100.00%</b>

8. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Draft Prospectus.
9. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
10. 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 this Draft Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue.
11. Our Company does not intend to alter its capital structure within six months from the date of opening of the issue, 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.

## 12. Details of our Promoters Shareholding

As on the date of this Draft Prospectus, our Promoters Mr. Mahendra Ahuja and Ms. Roma Ahuja hold 99.99 % of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

### a) Build-up of our Promoters shareholding in Our Company

#### Mr. Mahendra Ahuja

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-Issue equity share capital	% of post Issue equity share capital
December 18, 2008	5,000	10.00	10.00	Subscribers to Memorandum	Cash	0.14	0.12
March 28, 2009	1,90,000	10.00	10.00	Preferential Issue	Cash	5.23	4.49
February 20, 2012	25,500	10.00	100.00	Preferential Issue	Cash	0.70	0.60
February 14, 2022	(10)	10.00	108.00	Transfer to Mr. Jitendra Nebhani	Cash	-0.00	0.00
February 14, 2022	(10)	10.00	108.00	Transfer to Mr. Vijay Kumar Khilnani	Cash	-0.00	0.00
February 14, 2022	(10)	10.00	108.00	Transfer to Ms. Anita Anilkumar Harchandani	Cash	-0.00	0.00
February 14, 2022	(10)	10.00	108.00	Transfer to Mr. Shakti Kumar Sinha	Cash	-0.00	0.00
February 14, 2022	(10)	10.00	108.00	Transfer to Mr. Manan Tandon	Cash	-0.00	0.00
August 08, 2022	13,22,700	10.00	0	Bonus Issue	Consideration other than Cash	36.44	31.29
<b>Total</b>	<b>15,43,150</b>					<b>42.52</b>	<b>36.51</b>

#### Ms. Roma Ahuja

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-Issue equity share capital	% of post Issue equity share capital
December 18, 2008	5,000	10.00	10.00	Subscription to MOA	Cash	0.14	0.12
March 28, 2009	40,000	10.00	10.00	Preferential Issue	Cash	1.10	0.95
July 21, 2021	1,26,500	10.00	-	Gift of Shares from Ms. Kanta Devi Khilnani	Consideration other than Cash	3.49	2.99
July 21, 2021	1,26,500	10.00	-	Gift of Shares from Mr. Morandmal Kukreja	Consideration other than Cash	3.49	2.99
August 08, 2022	17,88,000	10.00	-	Bonus Issue	Consideration other than Cash	49.26	42.30
<b>Total</b>	<b>20,86,000</b>					<b>57.47</b>	<b>49.35</b>

Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoters shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

b) The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
<b>A)</b>	<b>Promoters</b>				
1	Mr. Mahendra Ahuja	15,43,150	42.52	13,22,750	31.29
2	Ms. Roma Ahuja	20,86,000	57.47	17,89,200	42.33
	<b>Total (A)</b>	<b>36,29,150</b>	<b>99.99</b>	<b>31,11,950</b>	<b>73.62</b>
<b>B)</b>	<b>Promoter Group</b>				
1	Ms. Anita Anilkumar Harchandani	70	0.00	70	0.00
	<b>Total (B)</b>	<b>70</b>	<b>0.00</b>	<b>70</b>	<b>0.00</b>
	<b>Promoters and Promoter Group (A+B)</b>	<b>36,29,220</b>	<b>99.99</b>	<b>31,12,020</b>	<b>73.62</b>

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

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Mahendra Ahuja	15,43,150	2.91
2.	Ms. Roma Ahuja	20,86,000	0.22

14. We have 7 (Seven) Shareholders as on the date of this Draft Prospectus

15. We hereby confirm that

- Except as stated below, there has been no acquisition, sale or transfer of Equity Shares by our Promoters, Promoter Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Draft Prospectus:

Date of Allotment / Transfer	Name of Shareholder	No. of Equity Shares allotted / Transferred / Acquired	% of Pre-Issue Capital	Subscribed / Acquired / Transfer	Category of Allottees (Promoters / Promoter Group / Relatives)
February 14, 2022	Mr. Mahendra Ahuja	-10	(0.00)	Transfer	Promoter
February 14, 2022	Mr. Mahendra Ahuja	-10	(0.00)	Transfer	Promoter
February 14, 2022	Mr. Mahendra Ahuja	-10	(0.00)	Transfer	Promoter
February 14, 2022	Ms. Anita Anilkumar Harchandani	10	0.00	Transfer	Promoter Group
February 14, 2022	Mr. Mahendra Ahuja	-10	(0.00)	Transfer	Promoter
February 14, 2022	Mr. Mahendra Ahuja	-10	(0.00)	Transfer	Promoter
August 08, 2022	Mr. Mahendra Ahuja	13,22,700	36.44	Bonus Issue	Promoter
August 08, 2022	Ms. Roma Ahuja	17,88,000	49.26	Bonus Issue	Promoter
August 08, 2022	Ms. Anita Anilkumar Harchandani	60	0.00	Bonus Issue	Promoter Group

- No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Draft Prospectus.

## 16. Details of Promoters' Contribution and Lock-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 Promoters 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 Draft Prospectus, our Promoter hold 36,29,150 Equity Shares constituting 99.99% of the Pre-Issued, Subscribed and Paid-up Equity Share Capital of our Company out of which Promoter is making offer for sale of 5,17,200 Equity shares of the Company in the Initial Public Offering. Hence, our promoter will hold 31,11,950 Equity Shares of the Company Post Issue constituting 73.62% of the Post-Issued, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoters have given written consent to include 8,45,420 Equity Shares held by them and subscribed by them as part of Promoter's Contribution constituting 20.00% 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. Mahendra Ahuja						
August 08, 2022	3,59,481	10.00	-	Bonus Issue	8.50	3 years
<b>Total (A)</b>	<b>3,59,481</b>				<b>8.50</b>	
Ms. Roma Ahuja						
August 08, 2022	4,85,939	10.00	-	Bonus Issue	11.50	3 years
<b>Total (B)</b>	<b>4,85,939</b>				<b>11.50</b>	
<b>Total = A+B</b>	<b>8,45,420</b>				<b>20.00</b>	

\*Assuming full subscription to the Issue.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- The Equity Shares offered for minimum 20% Promoters' Contribution have not been acquired in the three years preceding the date of this Draft Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Prospectus at a price lower than the Issue Price;
- No equity shares have been issued to our Promoters upon conversion of a partnership firm during the preceding one year at a price less than the Issue Price;
- The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in dematerialized form and
- The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoters contribution subject to lock-in.

**We further confirm that our Promoters Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.**

#### **17. Equity Shares locked-in for one year other than Minimum Promoters Contribution**

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 22,28,000 Equity 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.

#### **18. Inscription or recording of non-transferability**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

#### **19. Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- a) if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan;
- b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

#### **20. Transferability of Locked in Equity Shares**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of SEBI (SAST) Regulations, 2011 as applicable;

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoter Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoter' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

21. Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

22. As on date of this Draft Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

23. As on the date of filing of this Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
24. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
25. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "**Issue Procedure**" beginning on page 189 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
26. An over-subscription to the extent of 10% of the Net 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 10% of the Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
27. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
28. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
29. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
30. 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.
31. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
32. There are no Equity Shares against which depository receipts have been issued.
33. As per RBI regulations, OCBs are not allowed to participate in this issue
34. This Issue is being made through Fixed Price Issue
35. 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. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
36. 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 Applicant.
37. None of our Promoters and Promoter Group will participate in the Issue.
38. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.



## **SECTION VII: PARTICULARS OF THE ISSUE**

### **OBJECT OF THE ISSUE**

The Issue includes a fresh Issue of 5,97,600 Equity Shares and an offer for sale of 5,17,200 Equity Shares by the Selling Shareholders of our company at an issue price of ₹105.00 per Equity Share.

#### **OFFER FOR SALE**

The Selling Shareholders will be entitled to the proceeds of the Offer for Sale of his respective portion of the Offered Shares, respectively, net of his proportion of Offer related expenses. The fees and expenses relating to Offer shall be shared in proportion to the equity Shares contributed/issued in the offer between our Company and the respective Selling Shareholders in accordance with applicable law. Our Company will not receive any proceeds from the Offer for Sale.

The details of the proceeds of the Offer are summarized in the table below: -

(₹ in Lakhs)

Particulars	Amount
Proceeds of the Offer for Sale	543.06
Proceeds from the fresh Issue (including Offer Expenses borne by the Company)	627.48
<b>Total</b>	<b>1,170.54</b>

#### **FRESH ISSUE**

The details of the proceeds of the Fresh Issue are summarized below:

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds from the Fresh Issue	627.48
Less: Issue related expenses*	21.54
<b>Net Proceeds of the Fresh Issue</b>	<b>605.94</b>

*\*Except for the Listing fees and Market making fees, which will be borne by our Company only, all other expenses relating to the Issue as mentioned above will be borne by our Company and the Selling Shareholders in proportion to the Equity Shares contributed / issued in the issue. The total Offer expenses are ₹36.51 Lakhs out of which ₹ 14.97 Lakhs will be borne by the Selling Shareholders and ₹ 21.54 Lakhs will be borne by our Company. However, for ease of operations, expenses of the Selling Shareholders may, at the outset, be borne by our Company on behalf of the Selling Shareholders, and the Selling Shareholders agree that they shall reimburse our Company all such expenses.*

#### **REQUIREMENT OF FUNDS**

Our Company intends to utilize the Net Fresh Issue Proceeds for the following Objects ("Objects of the Issue"):

- a) Working Capital Requirements
- b) General Corporate Purposes.

In addition to the aforementioned objects, our Company intends to strengthen its capital base and expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including among other things, enhancing the visibility of our brand and our Company among our existing and potential customers.

We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities. Our Company engaged in the field of trading, export and import of coal, iron ore, billet and other natural resources and to deal in all product made of iron and steel. The main object clause and the ancillary object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through the Issue. The existing activities of our Company are within the object clause of our Memorandum. The Fund requirement and deployment is based on internal management estimates and has not been appraised by any bank and financial institution.

## UTILIZATION OF NET FRESH ISSUE PROCEEDS

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

(₹ in lakhs)

Sr. No.	Particulars	Total Estimated Expenditure	Estimated deployment of Net Proceeds by the Financial Year ended March 31, 2023
1	Working Capital Requirements	551.45	455.00
2	General Corporate Purposes	150.94	150.94
	<b>Total</b>	<b>702.39</b>	<b>605.94</b>

## MEANS OF FINANCE

The above-mentioned fund requirement will be met from the proceeds of the Issue and Internal Accruals.

*Since, the entire fund requirement is 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.*

The fund requirements are based on internal management estimates and have not been appraised by any bank or financial institution or any other independent agency. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

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.

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 chapter titled "**Risk Factors**" beginning on page 27 of this Draft Prospectus.

## DETAILS OF THE USE OF THE PROCEEDS

### 1) To Meet Working Capital Requirements

Our business is working capital intensive. We finance our working capital requirement from our internal accruals. Considering the existing and future growth, the incremental working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach ₹551.45 Lakhs for FY 2022-2023. We intend to meet our working capital requirements to the extent of ₹455.00 Lakhs from the Net Proceeds of this Issue and the balance will be met from internal accruals at an appropriate time as per the requirement.

### Basis of estimation of working capital

The details of our Company's composition of working capital as at March 31, 2022 and March 31, 2023 based on the Restated Summary Statements and working capital estimates. Further the source of funding of the same are as set out in the table below:

(₹ in lakhs)

Particulars	March 31, 2022 Actual (Restated)	March 31, 2023 Estimated
Current Assets		
Inventories	189.16	283.74

Trade Receivables	174.32	537.54
Cash and Cash Equivalents	1.02	133.47
Short Term Loans & Advances	600.00	660.00
Other Current Assets	5.54	13.85
<b>Total (I)</b>	<b>970.04</b>	<b>1628.60</b>
Current Liabilities		
Trade Payables	148.05	170.22
Other Current Liabilities	732.10	658.89
Short Term Borrowings	-	50.40
Short Term Provisions	46.30	197.64
<b>Total (II)</b>	<b>926.45</b>	<b>1077.15</b>
<b>Net Working Capital (I) – (II)</b>	<b>43.59</b>	<b>551.45</b>
Incremental Working Capital		507.86
Funding Pattern:		
Internal Accruals		52.86
Part of the IPO Proceeds		455.00

### Assumptions for working capital requirement

Assumptions for Holding Levels

(In days)

Particulars	Holding level as on March 31, 2022	Holding level as on March 31, 2023
<b>Current Assets</b>		
Inventories	6	8
Trade Receivables	6	15
<b>Current Liabilities</b>		
Trade Payables	5	5

### Justification for Holding Period Levels

Particulars	Detail
Inventories	We have assumed average inventories holding level of 8 days in the financial year 2022-23 as compared to 6 days the holding level of financial year 2021-22 due to increase in scale of operations
Trade Receivables	We have assumed trade receivables credit period of 15 days in the financial year 2022-23 as compare to 6 days for financial year 2021-22 of due to increase in scale of operations.
Trade Payables	We have assumed trade payables credit period of 5 days for the financial year 2022-23 which is in line with that of 5 days for financial year 2021-22.

Pursuant to the certificate dated August 13, 2022, M/s. Gupta Agarwal & Associates, Chartered Accountants, have verified the working capital requirements for the financial year ended on March 31, 2022 from the Restated Consolidated Financial Information and working capital estimates for the financial year 2023 and 2024 as approved by the Board pursuant to its resolution dated August 13, 2022.

## 2) General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance Net Fresh Issue Proceeds of ₹150.94 Lakhs is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI (ICDR) Regulations, 2018. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- Strategic initiatives
- Brand building and strengthening of marketing activities; and
- On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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

## PROPOSED YEAR WISE DEPLOYMENT OF FUNDS / SCHEDULE OF IMPLEMENTATION

The entire Net Fresh Issue Proceeds are proposed to be deployed in the Financial Year 2022 – 23.

## PUBLIC ISSUE EXPENSE

The estimated Issue related expenses include Issue Management Fee, Marketing Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar’s Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately ₹ 36.51 Lakhs. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Particulars	Expenses (₹ In Lakh)	% of Total Offer Expenses	% of Total Offer size
Payment to the Lead Manager	25.51	69.87%	2.18%
Market Making Fees	4.00	10.96%	0.34%
Fees payable to Registrar to Issue	0.50	1.37%	0.04%
Fees to Legal Advisor	1.25	3.42%	0.11%
Advertisement Expenses	0.80	2.19%	0.07%
Fees payable to Regulators including Stock Exchange	1.70	4.66%	0.15%
Printing & Distribution Expenses	0.75	2.05%	0.06%
Marketing & Selling Expenses	0.50	1.37%	0.04%
Payment to Sponsor Bank	0.50	1.37%	0.04%
Statutory & Other Reports	1.00	2.74%	0.09%
<b>Total</b>	<b>36.51</b>	<b>100.00%</b>	<b>3.12%</b>

SCSBs will be entitled to a processing fee of ₹ [●] per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non-Institutional Applicants, would be [●] % on the Allotment Amount# or ₹[●] whichever is less on the Applications wherein shares are allotted.

The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

## FUNDS DEPLOYED AND SOURCES OF FUNDS DEPLOYED

Our Statutory Auditor, M/s. Gupta Agarwal & Associates., Chartered Accountants, vide their certificate dated August 13, 2022 have also confirmed that the amount ₹ 5.00 Lakhs have been deployed so far towards the Object of the Issue and the same have been financed through internal sources.

Sr. No.	Particulars	Amount deployed (in Lakhs)
	Issue Expenses	
1.	Paid to Gretex Corporate Services Limited	5.00
	<b>Total</b>	<b>5.00</b>

## SOURCES OF FINANCING FOR THE FUNDS DEPLOYED

Our Statutory Auditor, M/s. Gupta Agarwal & Associates, Chartered Accountants, vide their certificate dated August 13, 2022 have also confirmed the amount deployed so far towards part of the Offer expenses has been financed through internal sources.

Sr. No.	Particulars	Amount deployed (in Lakhs)
1.	Issue Expenses	5.00
	<b>Total</b>	<b>5.00</b>

#### **APPRAISAL BY APPRAISING FUND**

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 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 variations in interest rate structures, changes in our financial condition and current commercial conditions 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 this Draft Prospectus, we have not raised any bridge loans, which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/ cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

#### **MONITORING UTILIZATION OF FUNDS**

As the size of the Fresh Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 262 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, 2015, our Company shall on a half-yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulation, 2015 our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Prospectus.

#### **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 13(8) and 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 through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

## **OTHER CONFIRMATIONS**

There are no material existing or anticipated transactions with our Promoters, 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 chapter titled “*Risk Factors*”, the details about our Company under the chapter titled “*Our Business*” and its financial statements under the chapter titled “*Financial Statements as Restated*” beginning on page 27, 99 and 145 respectively of this Draft 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.

The Offer Price has been determined by the Company in consultation with the Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹ 10.00 each and the Offer Price is ₹ 105.00 which is 10.5 times of the face value.

### **QUALITATIVE FACTORS**

- Experience and Track Record
- Repeat Business
- Location Advantage
- Satisfied Chain of Vendors
- Progressive Employer
- Experienced Promoters and Management

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to chapter titled “*Our Business*” beginning on page 99 of this Draft Prospectus.

### **QUANTITATIVE FACTORS**

Information presented in this section is derived from our Company’s restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### **Basic Earnings and Diluted Earnings per Equity Share (EPS) as per Restated Financial Statements (Post-Bonus)**

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2020	0.39	1
March 31, 2021	0.83	2
March 31, 2022	11.50	3
Weighted Average	6.09	

Notes:

1. The figures disclosed above are based on the Restated Financial Statements of the Company as adjusted with the effect of issue of Bonus shares.
2. The earnings per share has been calculated by dividing the net profit as restated, attributable to equity shareholders by restated weighted average number of Equity Shares outstanding during the period.
3. Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
4. The face value of each Equity Share is ₹ 10.00.

#### **Price / Earnings Ratio (P/E) in relation to the Offer Price of ₹ 105.00**

Particulars	P/E Ratio
Based on Restated Financial Statements	

P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	9.13
P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated	17.24

Note: The P/E ratio has been computed by dividing Issue Price with EPS.

#### Return on Net Worth (RONW) as per Restated Financial Statements

Period	RONW (%)	Weight
March 31, 2020	4.30	1
March 31, 2021	8.23	2
March 31, 2022	52.09	3
<b>Weighted Average</b>	<b>29.51</b>	

Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.

#### As per Restated Financial Statements:

Minimum return on Post Offer Net Worth to maintain the Pre-Offer EPS (Post Bonus) for the financial year ended on March 31, 2022- 34.43%

#### Net Asset Value (NAV) per Equity Share

Sr. No.	Particulars	On the basis of Restated Consolidated Financial Statements (₹)
a)	As on March 31, 2022	154.51
b)	After Offer	33.40
c)	Offer Price	105.00

Note: NAV has been calculated as Net worth divided by number of Equity Shares outstanding at the end of the year.

#### Peer Group Comparison of Accounting Ratios:

Particulars	CMP	EPS (₹)	PE Ratio	RONW (%)	NAV (₹)	Face Value (₹)	Revenue from Operations
(₹ in Lakh)							
ReeTech International Cargo and Courier Limited	105.00*	11.50	9.13	52.09	154.51	10.00	11,373.97
<b>Peer Group **</b>							
Anmol India Limited	182.25	13.67	13.33	25.74	54.55	10.00	31,100.00
Redington (India) Limited	147.40	16.40	8.99	22.12	370.77	10.00	62,64,400.00

\* CMP for our Company is considered as Offer Price

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

#### Notes:

- The figures of ReeTech International Cargo and Courier Limited are based on Consolidated Financial Statements as Restated as on March 31, 2022.
- Considering the nature and size of business of the Company, the peers are not strictly comparable. However same have been included for broad comparison.
- Current Market Price (CMP) is the closing price of peer group scrips as on August 19, 2022.
- The figures for the peer group are based on the standalone audited financials for the year ended March 31, 2022.

The face value of our share is ₹10.00 per share and the Offer Price is of ₹105.00 per share are 10.5 times of the face value.

The Company in consultation with the Lead Manager believes that the Offer Price of ₹105.00 per share for the Public Offer is justified in view of the above parameters. Investor should read the above-mentioned information along with the chapter titled “**Risk Factors**” beginning on page 27 of this Draft Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “**Financial Statements as Restated**” beginning on page 145 of this Draft Prospectus.

## **STATEMENT OF SPECIAL TAX BENEFITS**

To,  
The Board of Directors  
**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
"Sai Kunj" Civil Lines,  
Raipur, Chhattisgarh – 492 001

Dear Sir,

**Sub: Statement of Possible Special Tax Benefits (“the Statement”) available to REETECH INTERNATIONAL CARGO AND COURIER LIMITED (“the Company”) and its shareholders prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)**

We hereby report that this certificate along with the annexure (hereinafter referred to as “The Statement”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2022 (i.e. applicable to F.Y. 2022-23 relevant to A.Y. 2023-24) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax [GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions which based on business imperatives which the Company may or may not choose to fulfill or face in the future.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. Further, the Preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company’s management. 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. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India. Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein.

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

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

The contents of this annexure 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 and the provisions of the tax laws.

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

Our views are based on facts indicated to us, the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any such events subsequent, which may have a material effect on the discussions herein. Our views are exclusively for the limited use of the captioned Company in connection with its proposed public issue referred to herein above and shall not, without our prior written consent, be disclosed to any other person.

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct. We are not liable to any other person in respect of this statement.

This certificate along with the annexure 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 Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

**For Gupta Agarwal & Associates,  
Chartered Accountants,  
Firm Registration No.: 329001E**

**Sd/-  
Jay Shanker Gupta  
Partner  
Membership No.: 059535  
UDIN: 22059535APHMOF8021**

Date: August 13, 2022  
Place: Kolkata

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO REETECH INTERNATIONAL CARGO AND COURIER LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2022-23. 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.

**1. Special Tax Benefits to the Company**

There are no Special tax benefits available to the Company.

**2. Special Tax Benefits available to the shareholders of the Company**

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

Notes:

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.
3. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y.2022-23 relevant to A.Y. 2023-24.
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. 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.

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

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 offer document.

**For Gupta Agarwal & Associates,  
Chartered Accountants,  
Firm Registration No.: 329001E**

**Sd/-**

**Jay Shanker Gupta**

**Partner**

**Membership No.: 059535**

**UDIN: 22059535APHMOF8021**

Date: August 13, 2022

Place: Kolkata

## **SECTION VIII: ABOUT THE ISSUER COMPANY**

### **OUR INDUSTRY**

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. 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.

### **GLOBAL ECONOMY AT LARGE**

#### **GLOOMY AND MORE UNCERTAIN**

- A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize. Global output contracted in the second quarter of this year, owing to downturns in China and Russia, while US consumer spending undershot expectations. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative spillovers from the war in Ukraine.
- The baseline forecast is for growth to slow from 6.1 percent last year to 3.2 percent in 2022, 0.4 percentage point lower than in the April 2022 World Economic Outlook. Lower growth earlier this year, reduced household purchasing power, and tighter monetary policy drove a downward revision of 1.4 percentage points in the United States. In China, further lockdowns and the deepening real estate crisis have led growth to be revised down by 1.1 percentage points, with major global spillovers. And in Europe, significant downgrades reflect spillovers from the war in Ukraine and tighter monetary policy. Global inflation has been revised up due to food and energy prices as well as lingering supply demand imbalances, and it is anticipated to reach 6.6 percent in advanced economies and 9.5 percent in emerging market and developing economies this year—upward revisions of 0.9 and 0.8 percentage point, respectively. In 2023, disinflationary monetary policy is expected to bite, with global output growing by just 2.9 percent.
- The risks to the outlook are overwhelmingly tilted to the downside. The war in Ukraine could lead to a sudden stop of European gas imports from Russia; inflation could be harder to bring down than anticipated either if labor markets are tighter than expected or inflation expectations unanchor; tighter global financial conditions could induce debt distress in emerging market and developing economies; renewed COVID-19 outbreaks and lockdowns as well as a further escalation of the property sector crisis might further suppress Chinese growth; and geopolitical fragmentation could impede global trade and cooperation. A plausible alternative scenario in which risks materialize, inflation rises further, and global growth declines to about 2.6 percent and 2.0 percent in 2022 and 2023, respectively, would put growth in the bottom 10 percent of outcomes since 1970.
- With increasing prices continuing to squeeze living standards worldwide, taming inflation should be the first priority for policymakers. Tighter monetary policy will inevitably have real economic costs, but delay will only exacerbate them. Targeted fiscal support can help cushion the impact on the most vulnerable, but with government budgets stretched by the pandemic and the need for a disinflationary overall macroeconomic policy stance, such policies will need to be offset by increased taxes or lower government spending. Tighter monetary conditions will also affect financial stability, requiring judicious use of macroprudential tools and making reforms to debt resolution frameworks all the more necessary. Policies to address specific impacts on energy and food prices should focus on those most affected without distorting prices. And as the pandemic continues, vaccination rates must rise to guard against future variants. Finally, mitigating climate change continues to require urgent multilateral action to limit emissions and raise investments to hasten the green transition.

#### **The Forces Shaping the Outlook**

Global slowdown intensifies as downside risks materialize. A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022. Performance was slightly better than expected in the first quarter, but world real GDP is estimated to have shrunk in the second quarter—the first contraction since 2020—owing to economic downturns in China and Russia. Downside risks discussed in the April 2022 World Economic Outlook are materializing, with higher inflation worldwide, especially in the United States and major European economies, triggering a sharp



tightening in global financial conditions; a sharper-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative cross-border effects from the war in Ukraine.

Global inflation again surprises on the upside, prompting more central bank tightening. Since 2021, consumer prices have consistently risen faster than widely expected, including in the World Economic Outlook (Figure 1). In the United States, the consumer price index rose by 9.1 percent in June, compared with a year earlier, and it also rose by 9.1 percent in the United Kingdom in May—the highest inflation rates in these two countries in 40 years. In the euro area, inflation in June reached 8.6 percent, its highest level since the inception of the monetary union. Equally concerning, in emerging market and developing economies, second-quarter inflation is estimated to have been 9.8 percent. Higher food and energy prices, supply constraints in many sectors, and a rebalancing of demand back toward services have in most economies driven up headline inflation. But underlying inflation has also increased, as reflected in different gauges of core inflation, reflecting the pass-through of cost pressures by way of supply chains and tight labor markets, especially in advanced economies.<sup>1</sup> Wage growth has on average not kept up with inflation across both advanced and emerging market and developing economies, eroding household purchasing power. Although long-term inflation expectations have been stable in most major economies, they have started to rise according to some measures, including in the United States (Figure 2). In response to incoming data, central banks of major advanced economies are withdrawing monetary support more assertively and raising policy interest rates faster than expected in the April 2022 World Economic Outlook. Central banks in several emerging market and developing economies have raised interest rates more aggressively than during past advanced economy tightening cycles. The associated rise in longer-term borrowing costs, including mortgage rates, and tighter global financial conditions (see box) have led to precipitous declines in equity prices, weighing on growth. At the same time, public COVID-19 support packages have been wound down.

China's economic slowdown has added to global supply chain disruptions.

COVID-19 outbreaks and mobility restrictions as part of the authorities' zero-COVID strategy have disrupted economic activity widely and severely. Shanghai, a major global supply chain hub, entered a strict lockdown in April 2022, forcing citywide economic activity to halt for about eight weeks. In the second quarter, real GDP contracted significantly by 2.6 percent on a sequential basis, driven by lower consumption—the sharpest decline since the first quarter of 2020, at the onset of the pandemic, when it declined by 10.3 percent. Since then, more contagious variants have driven a worrisome surge in COVID-19 cases. The worsening crisis in China's property sector is also dragging down sales and real estate investment. The slowdown in China has global consequences: lockdowns added to global supply chain disruptions and the decline in domestic spending are reducing demand for goods and services from China's trade partners.

## **BASELINE SCENARIO**

**Global growth:** In the baseline scenario, global growth is 3.2 percent in 2022 and moderates to 2.9 percent in 2023, lower than projected in the April 2022 World Economic Outlook by 0.4 and 0.7 percentage point, respectively (Table 1). In a number of cases, a better-than-expected growth outcome in the first quarter of 2022 offsets the subsequent slowdown, resulting in a relatively modest net negative revision for average annual growth in 2022. Downgrades for China and the United States, as well as for India, are driving the downward revisions to global growth during 2022–23, which reflect the materialization of downside risks highlighted in the April 2022 World Economic Outlook: a sharper slowdown in China due to extended lockdowns, tightening global financial conditions associated with expectations of steeper interest rate hikes by major central banks to ease inflation pressure, and spillovers from the war in Ukraine. With growth near 3 percent in 2022–23, a decline in global GDP or in global GDP per capita—sometimes associated with global recession—is not currently part of the baseline scenario. However, projections for growth on a fourth-quarter-over-fourth-quarter basis point to a significant weakening of activity in the second half of 2022 (Table 1). While the revisions are mostly negative for advanced economies, differing exposures to the underlying developments mean that those for emerging market and developing economies are more mixed:

As noted, growth revisions for major advanced economies in 2022–23 are generally negative. Baseline growth in the United States is revised down by 1.4 percentage points and 1.3 percentage points in 2022 and 2023, respectively, reflecting weaker-than-expected growth in the first two quarters of 2022, with significantly less momentum in private consumption, in part reflecting the erosion of household purchasing power and the expected impact of a steeper tightening in monetary policy. Growth in the euro area is also revised down: by 0.2 percentage point in 2022, when improved prospects for tourism and industrial activity in Italy are more than offset by significant downgrades in France, Germany, and Spain; and by 1.1 percentage point in 2023.

This reflects spillovers from the war in Ukraine as well as the assumption of tighter financial conditions, with the European Central Bank ending net asset purchases and raising rates in July 2022 for the first time since 2011. In a number of European economies, NextGenerationEU funds are supporting economic activity.

For emerging market and developing economies, the negative revisions to growth in 2022–23 reflect mainly the sharp slowdown of China’s economy and the moderation in India’s economic growth. The revision in emerging and developing Asia is correspondingly large, at 0.8 percentage point in the baseline for 2022. This revision includes a 1.1 percentage point downgrade to growth in China, to 3.3 percent (the lowest growth in more than four decades, excluding the initial COVID-19 crisis in 2020), owing primarily to the aforementioned COVID-19 outbreaks and lockdowns. Likewise, the outlook for India has been revised down by 0.8 percentage point, to 7.4 percent. For India, the revision reflects mainly less favorable external conditions and more rapid policy tightening. Elsewhere, growth revisions in the baseline have been mostly on the upside. Real GDP for emerging and developing Europe is expected to shrink by 1.5 percentage points less in 2022 than predicted in the April 2022 World Economic Outlook but grow by 0.4 percentage point less in 2023, on the back of stronger-than-expected Russian export growth in 2022 and the recently announced additional sanctions on Russia in 2023. Latin America and the Caribbean has also seen an upward revision of 0.5 percentage point in 2022 as a result of a more robust recovery in the large economies (Brazil, Mexico, Colombia, Chile). The outlooks for countries in the Middle East and Central Asia and sub-Saharan Africa remain on average unchanged or positive, reflecting the effects of elevated fossil fuel and metal prices for some commodity-exporting countries. Inflation: The baseline projection for global inflation is also more pessimistic, having been revised up to 8.3 percent in 2022 on a fourth-quarter-over-fourth-quarter basis, from 6.9 percent in the April 2022 World Economic Outlook. The upside inflation revision in 2022 is larger for advanced economies, where it is expected to reach 6.3 percent from 4.8 percent projected in the April 2022 World Economic Outlook on a fourth-quarter-over-fourth-quarter basis, driven by significant increases in headline inflation among such major economies as the United Kingdom (a 2.7 percentage point upward revision to 10.5 percent) and the euro area (a 2.9 percentage point upward revision to 7.3 percent). Forecasts for 2023 are relatively unchanged—up by only 0.2 percentage point on a fourth-quarter-over-fourth-quarter basis—reflecting confidence that inflation will decline as central banks tighten policies and energy price base effects turn negative. For emerging market and developing economies, inflation in 2022 is expected to reach 10.0 percent on a fourth-quarter-over-fourth-quarter basis. Revisions for those economies display greater variation across countries, with relatively modest increases in emerging and developing Asia (partly because of a slowdown of activity in China and limited increases in prices of staple foods) but larger revisions for Latin America and the Caribbean (up by 3.0 percentage points) and for emerging and developing Europe (up by 2.9 percentage points).

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/07/26/world-economic-outlook-update-july-2022>)

## INDIAN ECONOMY

The last two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply-chain disruptions and, more recently, inflation have created particularly challenging times for policy-making. Faced with these challenges, the Government of India’s immediate response was a bouquet of safety-nets to cushion the impact on vulnerable sections of society and the business sector. It next pushed through a significant increase in capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion. This chapter explains how this flexible and multi-layered approach is partly based on an “Agile” framework that uses feedback-loops, and the monitoring of real-time data.

Advance estimates suggest that the Indian economy is expected to witness real GDP expansion of 9.2 per cent in 2021-22 after contracting in 2020-21. This implies that overall economic activity has recovered past the pre-pandemic levels. Almost all indicators show that the economic impact of the “second wave” in Q1 was much smaller than that experienced during the full lockdown phase in 2020-21 even though the health impact was more severe.

Agriculture and allied sectors have been the least impacted by the pandemic and the sector is expected to grow by 3.9 per cent in 2021-22 after growing 3.6 per cent in the previous year. Advance estimates suggest that the GVA of Industry (including mining and construction) will rise by 11.8 per cent in 2021-22 after contracting by 7 per cent in 2020-21. The Services sector has been the hardest hit by the pandemic, especially segments that involve human contact. This sector is estimated to grow by 8.2 per cent this financial year following last year’s 8.4 per cent contraction.

Total Consumption is estimated to have grown by 7.0 per cent in 2021-22 with significant contributions from government spending. Similarly, Gross Fixed Capital Formation exceeded pre-pandemic levels on the back of ramped up public expenditure on infrastructure. Exports of both goods and services have been exceptionally strong so far in 2021-22, but imports also recovered strongly with recovery in domestic demand as well as higher international commodity prices.

With the vaccination programme having covered the bulk of the population, economic momentum building back and the likely long-term benefits of supply-side reforms in the pipeline, the Indian economy is in a good position to witness GDP growth of 8.0-8.5 per cent in 2022-23. Nonetheless, the global environment still remains uncertain. At the time of writing, a new wave in the form of the Omicron variant was sweeping across the world, inflation had jumped up in most countries,

and the cycle of liquidity withdrawal was being initiated by major central banks. This is why it is especially important to look at India's macroeconomic stability indicators and their ability to provide a buffer against the above stresses. Despite all the disruptions caused by the global pandemic, India's balance of payments remained in surplus throughout the last two years. This allowed the Reserve Bank of India to keep accumulating foreign exchange reserves (they stood at US\$ 634 billion on 31st December 2021). This is equivalent to 13.2 months of merchandise imports and is higher than the country's external debt. The combination of high foreign exchange reserves, sustained foreign direct investment, and rising export earnings will provide an adequate buffer against possible global liquidity tapering in 2022-23. The fiscal support given to the economy as well as to the health response caused the fiscal deficit and government debt to rise in 2020-21. However, a strong rebound in government revenues in 2021-22 has meant that the Government will comfortably meet its targets for the year while maintaining the support, and ramping up capital expenditure. The strong revival in revenues (revenue receipts were up over 67 per cent YoY in April-November 2021) means that the Government has fiscal space to provide additional support if necessary. The financial system is always a possible area of stress during turbulent times. However, India's capital markets, like many global markets, have done exceptionally well and have allowed record mobilization of risk capital for Indian companies. More significantly, the banking system is well capitalized and the overhang of Non-Performing Assets seem to India does need to be wary of imported inflation, especially from elevated global energy prices. Overall, macro-economic stability indicators suggest that the Indian economy is well placed to take on the challenges of 2022-23. One of the reasons that the Indian economy is in a good position is its unique response strategy. Rather than pre-commit to a rigid response, Government of India opted to use safety-nets for vulnerable sections on one hand while responding iteratively based on Bayesian-updating of information. This "barbell strategy" was discussed in last year's Economic Survey. A key enabler of this flexible, iterative "Agile" approach is the use of eighty High Frequency Indicators (HFIs) in an environment of extreme uncertainty. Another distinguishing feature of India's response has been an emphasis on supply-side reforms rather than a total reliance on demand management. These supply-side reforms include deregulation of numerous sectors, simplification of processes, removal of legacy issues like 'retrospective tax', privatisation, production-linked incentives and so on. These have been discussed in detail in the respective chapters. Even the sharp increase in capital spending by the Government can be seen both as demand and supply enhancing response as it creates infrastructure capacity for future growth. This year's Survey particularly highlights the importance of process reforms in a number of sectors while Chapter 11 provides a brief demonstration of the use of satellite images and geo-spatial data, both recently deregulated sectors, for gauging economic development have structurally declined even allowing for some lagged impact of the pandemic. Vaccination is not merely a health response but is critical for opening up the economy, particularly contact-intensive services. Therefore, it should be treated for now as a macro-economic indicator. Over the course of a year, India delivered 157 crore doses that covered 91 crore people with at least one dose and 66 crores with both doses. The vaccination process for boosters and for the 15-18-year age group was also gathering pace at the time of writing. Inflation has reappeared as a global issue in both advanced and emerging economies. India's Consumer Price Index inflation stood at 5.6 per cent YoY in December 2021 which is within the targeted tolerance band. Wholesale price inflation, however, has been running in double-digits. Although this is partly due to base effects that will even out, India does need to be wary of imported inflation, especially from elevated global energy prices. Overall, macro-economic stability indicators suggest that the Indian economy is well placed to take on the challenges of 2022-23. One of the reasons that the Indian economy is in a good position is its unique response strategy. Rather than pre-commit to a rigid response, Government of India opted to use safety-nets for vulnerable sections on one hand while responding iteratively based on Bayesian-updating of information. This "barbell strategy" was discussed in last year's Economic Survey. 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This year's Survey particularly highlights the importance of process reforms in a number of sectors while Chapter 11 provides a brief demonstration of the use of satellite images and geo-spatial data, both recently deregulated sectors, for gauging economic development

## GOVERNMENT INITIATIVES

The Government of India has taken several initiatives to improve the economic condition of the country. Some of these are:

- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity

Enhancement and Investment and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at ₹ 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).

- Under PM GatiShakti Master Plan the National Highway Network will develop 25,000 km of new highways network which will be worth ₹ 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of ₹ 30 lakh crore (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of ₹ 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production linked incentive (PLI) scheme for Bulk Drugs which was an investment of ₹ 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated ₹ 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated ₹ 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got ₹ 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of ₹ 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth ₹ 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of ₹ 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of “One Station, One Product” was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- To boost the overall audit quality and transparency and add value to businesses, in April 2021, the RBI issued a notice on new norms to appoint statutory and central auditors for commercial banks, large urban co-operatives, and large non-banks and housing finance firms.
- In May 2021, the Government of India allocated ₹ 2,250 crore (US\$ 306.80 million) for the development of the horticulture sector in 2021-22.
- In November 2020, the Government of India announced ₹ 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction,



and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~₹ 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.

- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, Indian government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to ₹ 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23; it is expected to raise ₹ 4 lakh crore (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, NITI Aayog and Cisco collaborated to encourage women's entrepreneurship in India.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In June 2021, RBI Governor Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures, including ₹ 15,000 crores (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.
- In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India by increasing foreign direct investments in the country.
- In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for the second tranche of EUR 150 million (US\$ 182.30 million) for the Pune Metro Rail project.
- According to an official source, as of September 15, 2021, 52 companies have filed applications under the ₹ 5,866 crore (US\$ 796.19 million) production-linked incentive scheme for the white goods (air conditioners and LED lights) sector.
- In May 2021, Union Cabinet approved the signing of a memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.
- In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched the 'DGFT Trade Facilitation' app to provide instant access to exporters / importers anytime and anywhere.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.

- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2022. Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution Mr. Piyush Goyal, on January 21, 2022 said that Indian industry to raise 75 unicorns in the 75 weeks leading up to the country's 75th anniversary next year.
- Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal said that India will achieve exports worth US\$ 1 trillion by 2030.
- India's electronic exports are expected to reach US\$ 300 billion by 2025-26. This will be nearly 40 times the FY2021-22 exports (till December 2021) of US\$ 67 billion.

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus of 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates for July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with the government's budget support to states, strengthened the overall growth of the Indian economy.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third-largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to a shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass the USA to become the second-largest economy in terms of purchasing power parity (PPP) by 2040, as per a report by PricewaterhouseCoopers.

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

## COAL TRADING INDUSTRY IN INDIA

India's domestic coal production increases by 28% as of June 16, 2022

After a record-breaking coal production of 777 million tonnes (MT) in 2021-22, domestic coal production continues to witness an increasing trend in the current financial year as well.

The total domestic coal production in 2022-23, as of May 31, 2022, is 137.85 MT, which is 28.6 per cent more as compared to the production of 104.83 MT in the same period of last year. This trend is being maintained in June, 2022 also, the Ministry of Coal said today.

The coal production by Coal India Ltd (CIL) is 28 per cent more than the production in the same period of the previous year (as of June 16, 2022). The Domestic coal production target for the current financial year is 911 MT which is 17.2 per cent more than the previous year.

The coal imports for blending by the Domestic Coal Based (DCB) power plants have dropped to 8.11 MT in the year 2021-22 which has been the lowest coal import in the last eight years. This was possible solely due to the robust coal supply from domestic sources and increased domestic coal production. The Imported Coal Based (ICB) power plants had imported coal of more than 45 MT per year from 2016-17 to 2019-20. However, coal import by the ICB power plants dropped to the lowest level of 18.89 MT in 2021-22 and the generation from these plants also dropped to 39.82 billion units (BU) in the year 2021-22 as compared to the 100+ BU which these plants have been generating since quite some time. This year too their generation remains very low due to high price of imported coal.



In the last five years, the coal-based power generation has grown at a CAGR of 1.82 per cent whereas the domestic coal supply to power sector had grown at a CAGR of 3.26 per cent. Thus, coal supply to power sector has outpaced the growth in coal-based power generation and continues to do so in the present year too.

In the year 2021-22, coal supply from CIL to the DCB power plants has been more than the supply required to be made under Fuel Supply Agreement (FSA). CIL had supplied 540 MT coal, out of which 483 MT coal was supplied against FSA. This coal was sufficient for the power plants to run at 69 per cent PLF whereas the DCB power plants operated at a PLF of only 61.3 per cent in the year 2021-22. In the year 2022-23, as per FSA, CIL was supposed to supply 120.67 MT coal to its linked power plants (at 85 per cent PLF) whereas CIL had supplied 129.58 MT coal (till 16.06.22). This supply is 7.4 per cent more than the supply required by the plants if they operate at 85 per cent PLF. The plants have operated at about 70 per cent PLF and the CIL coal supply to its FSA-linked plants is 30.4 per cent more than their requirement.

With increased production, the rake supply from CIL to the power sector has also been at an all-time high. The rake loading to power sector increased from 215.8 rakes per day in 2020-21 to 271.9 rakes per day in 2021-22, registering a growth of 26 per cent.

In the current year also (till June 16, 2022), the rake supply from CIL to power sector has increased by 25 per cent as compared to the same period of last year. At the same time, coal stocks at pit head power plants are much higher than the distant plants.

The DCB power plants have generated a record high power of 3.3 BU per day in the month of June 2022 (till June 16, 2022). The coal stock at the DCB power plants during this period, however, have not depleted, rather the same has increased from 21.85 MT (as on June 1, 2022) to 22.64 MT (as on June 16, 2022). This reflects the robust coal production and sufficient supply to keep up with the increasing demand. The coal stock is sufficient for more than 10 days' requirement.

As on June 16, 2022, coal stock at different domestic coal mines is more than 52 MT, which is sufficient for about 24 days requirement of power plants. In addition to it, about 4.5 MT coal stock is available at various Goodshed sidings, Private Washeries and ports and is awaiting to be transported to the power plants. During the monsoons, despite having high coal stock at mine ends, the coal companies face problems in transporting coal to the sidings due to flooding of mines and the wet coal jamming the Coal Handling Plants conveyor systems.

Even by end of the second quarter, coal stocks remain high at CIL mines when stocks are low at thermal plant end. There domestic coal production is not an issue. The coal supplies from CIL are more than the FSA requirements. However, CIL has agreed to import coal for the interested power sector consumers (State Gencos and IPPs) and have floated a short-term tender for 2.4 MT imported coal for supply within three months and two long term imported coal supply tenders of 6 MT each for supply over a period of one year. The ICB power plants and the Gas based power plants have been operating at very low capacities due to constraints in easy availability of required fuel and issues related to PPAs. However, coal supplies from CIL and other domestic sources is sufficient to ensure that there is adequate coal at the power plants during the monsoon season.

([https://www.business-standard.com/article/economy-policy/india-s-domestic-coal-production-increases-by-28-as-of-june-16-2022-122061900446\\_1.html](https://www.business-standard.com/article/economy-policy/india-s-domestic-coal-production-increases-by-28-as-of-june-16-2022-122061900446_1.html))

## MARKET SIZE

Indian coal reserves are the third largest in the world, after the United States and China. India is the third largest coal producer in the world and the eighth largest importer. With annual production of 310 million tonnes and imports of almost 25 million tonnes, coal provides one-third of energy supply in India.

The Indian government forecasts huge increases in electricity capacity based on coal. Massive increases in coal supply would be required if these plans are realised, although it is not clear if they are feasible. The principal objective of Indian coal policy should be to improve the financial performance of the industry by creating a freely competitive coal industry. A financially viable electricity industry will be necessary to support reforms in the coal industry.

This report describes the Indian coal sector, and comments on government policies and the performance of India's largely state-owned coal companies. There is a substantial need for reforms in India's coal sector to improve efficiency and competitiveness.

(<https://www.iea.org/reports/coal-in-the-energy-supply-of-india>)

## INVESTMENT / MAJOR DEVELOPMENT

The investment quantum globally on coal supply chains is expected to grow by 10 per cent year-on-year to around \$115.5 billion in the current calendar year, with China and India accounting for a major share, International Energy Agency (IEA) has said. “Around \$105 billion was invested in the coal supply chain in 2021, an increase of 10 per cent year-on-year, and a further 10 per cent rise is expected in 2022 as tight supply continues to attract new projects. This is a long way from the market situation implied by international climate goals and the Glasgow commitment to phase down coal. This increase is being led by China and India, the dominant players in global coal markets,” IEA said in the World Energy Investment report 2022. Coal shortages and power rationing in China in 2021 made energy security the main priority in near-term Chinese policy, and more than 350 million tonnes (MT) per year of new coal mining capacity was brought on stream in the second half of the year. India is also looking to increase domestic coal supply in the face of a squeeze in 2022 that increased the use of more expensive imported coal, it added. “Given the unprecedented rise in coal prices in 2022, a key question is whether this will trigger a new wave of investment in the coal supply chain. Outside China and India, it is not clear that such an increase in investment will take place,” the annual report said. The report explained that the global coal supply investment is expected to grow by another 10 per cent in 2022 as tight supply continues to attract new projects. “At over \$80 billion, China and India are anticipated to make up the bulk of global coal investment in 2022,” it added. IEA said that India, the world’s second-largest consumer and coal producer, is seeking to increase coal production as its energy needs grow and the government looks to decrease imports. This is particularly the case because a supply squeeze in 2022 increased the use of more expensive imported coal. State-run monopoly Coal India, which accounts for over 80 per cent of the national output, has a target to reach 1,000 MTPA production in the coming years, while also investing in washing plants and rail corridors. Other players include public companies (SSLC and NLC), captive producers and mine developer-operators (MDOs) who are increasingly working for Coal India, the report pointed out. Under the Indian government’s Coal Mines (Special Provisions) Act, merchant producers can sell coal at free-market prices outside CIL’s monopoly. The first auction for commercial mining blocks was awarded in November 2020, with 19 mines allocated, representing over 3 billion tonnes of coal reserves and a peak capacity of over 50 MTPA.

“A number of additional auction rounds have been launched since. There is uncertainty about how rapidly private producers can navigate the approval process and the pace of development of the production capacity, but current high coal prices are likely to provide a strong incentive,” IEA said.

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(<https://www.thehindubusinessline.com/markets/commodities/investment-in-global-coal-supply-chain-to-hit-115-bn-in-2022-led-by-china-and-india/article65558040.ece>)

## GOVERNMENT INITIATIVES

Target of Coal Ministry is to minimize import of thermal coal and to make the country Atmanirbhar in the sector. A Task Force and an Expert Committee chaired by Additional Secretary (Coal) have been constituted on 07.09.2021 to study and develop a roadmap for production and usage of Hydrogen produced from Coal. The first meeting of Task Force was held on 18.10.2021. Expert Committee has held 5 meetings and taken presentation from Thermax, CIMFR and group of experts coordinated by M/s Dastur Engineering. The Meeting with M/s Shell on Hydrogen Roadmap and potential of CCUS in India with India Growth Shell chaired by AS(Coal) was held on 18.02.2022. The committee has submitted a draft roadmap for coal to hydrogen which was discussed in the meeting of the Committee held on 11.4.2022 for finalization. Roadmap for Coal to Hydrogen was launched by the Hon'ble Minister on 6-5-2022.

Rail projects – Construction of 14 rail projects being undertaken throughout the country for the purpose of coal evacuation. Out of these, 4 rails projects being constructed on deposit basis, 4 through SPV and other 6 are Railways funded projects.

FMC ProjectsCIL - 35 first mile connectivity (FMC) project in 1st phase and 9 FMC projects in 2nd phase. Out of 35 FMC projects (1st phase), 6 projects have already been commissioned and others are at various stages of construction. 9 FMC projects in 2nd phase are at different stages of tendering process. SCCL - 3 FMC projects in 1st phase and 1 FMC project in 2nd phase. One FMC project of SCCL has already been commissioned. NLCIL - 3 FMC projects.

Crisil risk and infrastructure solutions limited (CRISIL) has been engaged as consultant for providing strategic and implementation management consulting services to assist Ministry of Coal in the process of setting up of Coal Trading Exchange. The establishment of Coal Trading Exchange in the country shall open up the coal market through an online trading platform and provide easy coal availability in the market.

MoC is contemplating to activate the already existing Non-statutory Coal Regulator and to merge CCO with the existing Coal Regulator to create an independent expert institution which besides having technical expertise can also command confidence of the private sector. Proposal has been submitted for consideration of Secretary (Coal) and a review meeting to discuss the options of Coal Pricing Reforms was chaired by Secretary (Coal) on 14.01.2022. CIL was asked to explore and submit study of reorganizing Coal grades with tolerance provision of 50-100 GCV. A follow up review meeting was held on 25.02.2022, where CIL submitted its study stating that the aforementioned provision is not financially beneficial to them. CIL has been asked to re-conduct the study by increasing the no. of years for which data is analyzed. CIL has submitted its presentation by increasing the base year to two years i.e. 2019-20 and 2020-21. Even in this analysis CIL is incurring revenue loss by opting for tolerance provision with no significant decrease in Grade slippage. (<https://coal.nic.in/sites/default/files/2022-05/31-05-2022a-wn.pdf>)

## ACHIEVEMENTS

### ACHIEVEMENTS IN MINISTRY OF COAL

Till date, total of 105 coal blocks having aggregated peak rated capacity of ~512 MT/Annum and Geological reserve of around 15,000 MT have been allocated by Nominated Authority [105 under CMSP ACT, 2015 and 18 under MMDR Act, 1957]. Out of this, 47 coal mines have got Mine Opening Permission of which 36 coal blocks are actually producing.

An Inter - Ministerial Committee (IMC) has been constituted in the Ministry of Coal on 29.05.2020 for the purpose of coal import substitution. The Representatives from Ministry of Power, Ministry of Railways, Ministry of Shipping, Ministry of Commerce, Ministry of Steel, Ministry of Micro, Small & Medium Enterprises (MSME), Department for Promotion of Industry & Internal Trade (DPIIT), Central Electricity Authority (CEA), Coal Companies and Ports are members of this IMC. 9 meetings of the IMC have been held so far. On the directions of the IMC, an Import Data System has been developed by Ministry of Coal to enable the Ministry to track the imports of coal. Efforts are taken to ensure

more domestic supplies of coal. To take the task of coal import substitution to the next level, Coal India Limited has been asked to plan zero coal Import Mission by 2023-24. Thus, the entire substitutable imported coal should be met by the country and no import other than very essential should happen. Coal India Limited has been directed to prepare the action plan.

(<https://coal.nic.in/sites/default/files/2022-06/14-06-2022a-wn.pdf>)

## **OUR BUSINESS**

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the section titled “**Risk Factors**”, beginning on page 27 of this Draft Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “**Risk Factors**” and the chapters titled “**Financial Statements as Restated**” and “**Management Discussion and Analysis of Financial Conditions and Results of Operations**” beginning on page 27, 145 and 146 of this Draft Prospectus

Unless the context otherwise requires, in relation to business operations, in this section of this Draft Prospectus, all references to “we”, “us”, “our” and “our Company” are to “Reetech International Cargo and Courier Limited”.

## **OVERVIEW**

Our company was incorporated in the year 2008, in the name and style of M R Agriculture Private Limited by the joint efforts of Mr. Mahendra Ahuja and Ms. Roma Ahuja. Company started its operation in the year 2009-10 Initially the Company was engaged in the business of agriculture goods such as Rice Milling, Rice Sorting, Dal Milling, Dal Processing and Agriculture Products. The business of trading of Agriculture goods had been operated by the Company successfully in the past. In the year 2020, our promoters commenced business of trading of coal. In the year 2021, the company changed its name from M R Agriculture Private Limited to Reetech International Cargo and Courier Private Limited. Our Promoters has a vision to look beyond the ordinary; to foresee opportunities; to attain the unattainable; to create in-roads into newer vistas of change and above all, to bridge the demand-supply gap for coal, the world’s fossil fuel.

Mr. Mahendra Ahuja started as a small trader of coal in 2020, and within a short span of time, Reetech has emerged as one of the recognised suppliers of coal in the state of Chhattisgarh. We are based at Raipur, Chhattisgarh, and our operations are spread across India, with a wide network of Customers. Our diversified product portfolio comprises coal from Indonesia, South Africa, Australian and India, among other origins. We supply our products to the customers in various sectors i.e., Power, Steel, Rolling and other industries. An effective handling and transportation of the orders is facilitated through Road transportation and Railway. In a very short span of time, our Company has been able to recognize itself as a trusted name in the coal industries due to its commitment to quality and reliability since its inception. Our Company is one of the recognised traders of Coal and perform its operations from Gangavaram and other ports.

## **OUR PRODUCTS**

### **South African Coal**

We are currently importing the entire spectrum of South African coal that comprises 6000 NAR, 5500 NAR & 4800 NAR. The coal is transported in multifarious vessels such as Supramax, Panamax, Babycapex & Capesize vessels. It is then stored in various locations including Gangavaram port, Vizag port.

### **Indonesian Coal**

We importing the entire spectrum of Indonesian coal grades, extending from Low Calorific Value and Medium Calorific Value to High Calorific Value.

### **Indian Coal**

We procure Indian coal through e-auctions conducted by the various subsidiaries of Coal India Limited (WCL, ECL, SECL, CCL, MCL, NCL, SCCL). The coal is procured keeping in mind the quality and quantity requirements of our customers. We pride ourselves on the ability to provide end-to-end logistics solutions to our clients together with flexibility in payment terms, which bring in a great value proposition.

### **US Coal**

We import US coal on Kandla port of GCV higher than 7000.

## MODE OF TRANSPORT

Our Company is flexible in using mode of transport while supplying goods to our clients across India.

1. By Sea: We purchase Coal while it's still in the process of being imported. A lot less paperwork and early ownership of stock results in reduced cost for the buyer.
2. By Rail: We also uses Rail to deliver the coal to its customers. This mode is subject to availability and company policy.
3. By Road: Under this mode coal is delivered through trucks and trolley. For Immediate demands this is the best mode of purchase.

Our Company is promoted by Mr. Mahendra Ahuja and Ms. Roma Ahuja. They are the guiding force behind all the strategic and management decisions of our Company and have been an anchor to our company. They have an expertise for identifying the projects in which the company should participate and mobilize the necessary inputs in orders and makes sure that the selected projects related to our business. They have been associated with our Company as Directors since inception. In addition to our Promoters, our senior management team includes qualified, experienced and skilled professionals who have experience across various sectors. We believe the stability of our management team and the industry experience brought on by our individual Promoter and the senior management team will enable us to continue to take advantage of future market opportunities and expand into newer markets.

Our Company was originally incorporated on December 18, 2008 as a private limited company as “M R Agriculture Private Limited” vide Registration No. 020983 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh & Chhattisgarh. The name of our Company was changed from “M R Agriculture Private Limited” to “Reetech International Cargo and Courier Private Limited” vide Fresh Certificate of Incorporation dated July 15, 2020 Consequent upon Change of Name pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on June 15, 2020. Further our company converted into Public limited Company pursuant to Shareholders Resolution passed at the Extra Ordinary General meeting held on February 15, 2022 and the name of the company was changed to “Reetech International Cargo and Courier Limited” vide Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated April 12, 2022 was issued by Registrar of Companies, Chhattisgarh being Corporate Identification Number U51100CT2008PLC020983.

## IMPACT OF COVID-19 ON OUR BUSINESS

In late 2019, a novel strain of coronavirus (“COVID-19”) emerged and by March 11, 2020, it was declared a global pandemic by the World Health Organization. The spread of COVID-19 and the recent developments surrounding the global pandemic have had, and may continue to have, repercussions across local, national and global economies and financial markets. On March 14, 2020, India declared COVID-19 as a ‘notified disaster’ and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices. While the recently commenced vaccination drive in India is a positive development, the COVID-19 pandemic has affected and is expected to continue to affect our business and operational performance in the near future. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have reacted by taking measures, such as instituting quarantines, restricting travel, prohibiting people from assembling in heavily populated areas, issuing lockdown orders and restricting the types of businesses that may continue to operate, ‘stay-at-home’ orders, and enforcing remote working regulations. These measures have led to a significant decline in economic activities, and has had and is having an unprecedented effect and a significant negative impact on the global travel industry. An individuals’ ability to travel has been curtailed through border closures across the world, mandated travel restrictions and limited operations of hotels, airlines, bus and railways, and may be further limited through additional voluntary or mandated restrictions on travel. The measures implemented to contain the COVID-19 pandemic have had, and are expected to continue to have, a significant negative effect on our business, financial condition, results of operations, cash flows and liquidity position. Further, no prediction can be made of when any of the restrictions currently in place will be relaxed or when further restrictions will be announced. Although some governments are beginning to ease or lift such restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown.

## OUR LOCATIONS

Registered Office & Corporate Office	Sai Kunj, Civil Lines, Raipur – 492001, Chhattisgarh, India.
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## **OUR COMPETITIVE STRENGTHS**

### **Experience and Track Record**

We have successfully executed several large projects for Coal trading in the last two years throughout the length and breadth of the country with particular thrust on the eastern, northern, coastal and the central parts and in the process earned, the Goodwill and confidence of the clients. We provide our services to the customers in Power, Steel, Rolling and other industries. We have an edge over for an effective handling and transportation of the orders facilitated through Sea, Road and Railway transportation.

### **Experienced Promoters and Management**

We have an experienced management team including our promoters who have more than 12 years of experience in the Company. Further to this they are assisted by an experienced, committed and loyal management team comprising professionals having a sound and adequate knowledge of technical, finance and administration activities in the Coal trading Sector. We also have panel of industry experts acting as advisors for efficiently organizing and managing project work.

### **Repeat Business**

Customer relationship is a very important pillar on which the business of trading. We believe that meeting customer specific requirements and delivery of orders is key factor for growth. Our Company has made continuous efforts to ensure customer satisfaction by taking steps for meeting customer specific requirements, timely delivery of orders to our customers as well as maintaining consistency in quality and this has yielded results in the form of repeat orders from our customers. Repetitive business and large client relationships reflect confidence reposed in us by our customers.

### **Location Advantage**

We have our registered office in Chhattisgarh, this gives our company an advantage for engaging clients in the local area. Chhattisgarh has coal mines, power plants and other mineral extraction sites. Having an easier access to all the power plants and large manufacturing industries gives us an advantage.

### **Satisfied Chain of Vendors**

The Company procures its raw materials from various approved vendors. Over the years the company has been able to develop extremely cordial relationship with the vendors who have always stood by the company in times of need. The Company on its part has always tried to be punctual and transparent in keeping its commitment towards its vendors.

### **Progressive Employer**

Our Company is continuously focused on creating an engaging atmosphere for our Employees to learn, contribute and grow. We nurture a sense of equality among our team members and offer them ample opportunities to pursue their passion and grow.

There is an active FUN team that creates opportunities for enjoyment even while working. We believe in timely compliance of all statutory payments especially related to employees. Our company ensures a safe environment, dignity and respect for all our employees irrespective of gender, religion, caste.

## **BUSINESS STRATEGY**

### **To Start Trading of Other Minerals**

Our company is looking to start trading of other minerals. Our operation is currently restricted to only one mineral i.e., Coal and we are in the process to expand our current business activity but our focus shall also be to start trading of new minerals.

### **Leveraging our market skills and relationship**

The business of our Company is customer oriented and always strives to maintain good relationship with the clients. Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and

further enhancing customer satisfaction. Our Company provides effective follow-ups with customers which ensure that the customers are satisfied with the product and do not have any complain.

#### **To increase brand visibility**

The market for our products is highly competitive. Our market goodwill is significantly dependent on brand recall and our ability to compete effectively would significantly depend on our ability to promote and develop our brands. We would continue to associate ourselves with quality customers. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

#### **Cost effectiveness**

Apart from expanding business and revenues we have to concentrate on reducing the costs in order to remain competitive in the industry. Measuring and evaluating costs at each cost centre and bench marking the same to industry / scientific standards is our core strategy to control costs. We are, to some extent successful in our efforts and hope to continue more vigorously to bench mark ourselves with the best in the industry.

#### **Maintain our focus to strengthen customer relationship**

We expect to maintain our focus on customer relationships. We believe that there are significant business opportunities from existing as well as potential customers as we diversify our services and build upon the existing relationships. We believe that this strategy would increase our customer specific knowledge enabling us to provide packages as per their requirement and develop closer relationships with these customers.

#### **Building-up as a Professional Organisation**

We believe for a business to grow beyond a certain size, it needs to be run as a professional organisation. No organisation run in a promoter-centric or an unorganised manner can become a large business. We believe in transparency, commitment and coordination in our work, with all our stakeholders. We have the right blend of experienced and dynamic team and staff which takes care of our day-to-day operations.

#### **Continue to attract and retain talent**

As part of our business strategy, we are focused on attracting and retaining high quality talent as we continue to expand our service offering. We have recruited and retained talented employees from a variety of backgrounds. We expect to continue to attract talented employees through our retention initiatives. We intend to invest adequate time and resources for training our employees, which we believe would foster mutual trust, improve the quality of our customer service and place further emphasis on our continued retention.

#### **Strategic Acquisition and Alliance Opportunities**

We intend to explore and evaluate strategic acquisition and technology alliance opportunities to gain access to new clients and sectors, add new technology capabilities to our offerings that drive synergies with our existing business ventures.

### **SWOT ANALYSIS**

<b>Strengths</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>Experienced Team</li> <li>Assured Payments from Clients</li> <li>Steady Growth</li> <li>Strong financial credentials.</li> <li>Well positioned to cater to high demand of coal in India</li> </ul>	<ul style="list-style-type: none"> <li>Our work is dependent on coal which is Inherent inferior quality of indigenous coal due to high ash content Constraints in land acquisition.</li> <li>Increase in proportion of renewables in the energy mix and demand stagnation in future.</li> </ul>
<b>Weakness</b>	<b>Opportunities</b>
<ul style="list-style-type: none"> <li>Coal to remain the key primary energy source in India.</li> <li>High Wage Cost</li> <li>Evacuation infrastructure bottleneck in certain areas due to land, statutory clearance and law &amp; order issues.</li> </ul>	<ul style="list-style-type: none"> <li>Coal to remain the key primary energy source in India.</li> <li>Enhanced demand of power due to increased use of electric vehicles.</li> </ul>

- Established Players available in the Market.

## **COLLABORATIONS**

Our Company has not entered into any collaboration agreements as on date of this Draft Prospectus.

## **INFRASTRUCTURE FACILITIES FOR UTILITIES LIKE ELECTRICITY WATER & POWER.**

### **Infrastructure Facilities**

Our registered office is situated at "Sai Kunj", Civil Lines, Raipur – 492001, Chhattisgarh, India. Our registered office is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

### **Power**

We have arrangements for regular power supply at our registered office. This power is being supplied to us from Chhattisgarh State Power Distribution Company Limited at our registered office.

### **Water**

Our registered office has adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises.

## **EXPORT AND EXPORT OBLIGATIONS**

As on date of this Draft Prospectus, our Company does not have any export and export obligation.

## **CAPACITY AND CAPACITY UTILIZATION**

Capacity and capacity utilization is not applicable to our Company since our business is not in the nature of a manufacturing concern with specified installed capacity.

## **HUMAN RESOURCE**

Human resource is the key element for our Company's growth strategy and handling the day-to-day activities within the organization. We focus on attracting and retaining the best possible talent. Our team is a blend of experienced, professional with expertise in travel Industry. Our Company does not have any Employee Unions.

As on date of filing of this Draft Prospectus, we have 8 employees in our company. We have not experienced any material strikes, work stoppages, labour disputes or actions by or with our employees, and we consider our relationship with our employees to be good. And all the employees who are employed in their respective departments also work with integrity to make sure the operation the company are fulfilled and the targets the company has set are achieved.

## **MARKETING AND DISTRIBUTION STRATEGY**

The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with our channels that are associated with our Company. Our team through their experience and good rapport with distributors owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. We adopt product-wise, client-wise, location-wise and geography-wise approach for selling and marketing our products. Our marketing team also works to maintaining the existing clients and acquiring new clients for our products. Our marketing team focuses on increasing our market share through addition of new & unique products which have huge business potential. We believe our relationship with our distributors is cordial and established as we receive repeat order flows. To retain our distributors, our team regularly interacts with them and focuses on gaining an insight into the additional needs of customers. We intend to expand our existing customer base by reaching out to other geographical areas and expanding our export operations.

## **PROPERTIES**

Properties Owned by the Company


As on the date of this Draft Prospectus, our company does not own any property

Properties taken on rent by the Company

Sr. No	Location	Name of Licensee	Document and Date	Rent (In Rs) (per month)	Period of Agreement		Usage
					From	To	
1.	"Sai Kunj", Civil Lines, Raipur-492001, Chhattisgarh, India.	Mahendra Ahuja	June 01, 2022	10,000	June 01, 2022	May 31, 2023	Registered Office

## INTELLECTUAL PROPERTY RIGHTS

The details of trademark used by the Company is as under:

Sr. No	Brand Name/Logo/ Trademark	Class	Nature of Trademark	Owner	Application Number and Date	Status
1.		35	Device	Reetech International Cargo and Courier Limited	5523693/09.07.2022	Applied

## COMPETITION

We face competition from other players in the same industry throughout the country. As we also propose to enter into new location. We are likely to face additional competition from those who may be better capitalized their resources. Our Strength are our experience and our track records that the company has successfully executed several large projects for Coal Trading in the last two years and achieved the goodwill and confidence of the clients. We firmly believe that in spite of intense competition, we can create a space for ourselves by offering our clients the best services and will be able to get their support and confidence in future as well.

## INSURANCE DETAILS:

As on the date of this Draft Prospectus, our company does not have any insurance policies.

## **KEY INDUSTRY REGULATIONS AND POLICIES**

Given below is a summary of certain relevant laws and regulations currently applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Our Company is a well reputed brand name in domestic and international market today. Our Company is carrying on business of trading, export & import of coal, iron ore billet and other natural resources. Additionally, our functioning requires the sanction of concerned authorities, at various stages, under relevant legislations and local by-laws. Given below is a brief description of certain relevant legislations that are currently applicable to the business carried on by us.

### **CENTRAL LAWS:**

Equal Remuneration Act, 1976, Employees' Compensation Act, 1923, Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965, as may be applicable in the relevant state:

### **Key Legislations Applicable to Our Business**

#### **Legal Metrology Act, 2009 ("LM Act")**

The LM Act has replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weight & Measurement (Enforcement) Act, 1985. It seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The LM Act and rules framed thereunder regulate, inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the license under the LM Act. Any manufacturer dealing with instruments for weights and measuring of goods must procure a license from the state department under the LM Act. Any non-compliance or violation under the LM Act may result in, inter alia, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases:

#### **Consumer Protection Act, 2019 (the "Consumer Protection Act") and the rules made thereunder**

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. One of the substantial changes introduced by Consumer Protection Act is inclusion of the e-commerce industry under Consumer Protection Act with "e-commerce" defined to refer to the buying and selling of goods or services over digital or electronic network. Therefore, the Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs. In cases of manufacturing for sale or storing, selling, or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between one lakh to ten lakh depending upon the nature of injury to the consumer:

#### **Shops and establishments legislations**

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exists, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments act, and the relevant rules framed thereunder, also

prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

### **Laws relating to various Municipal Corporations**

The respective state legislatures in India have the power to endow the municipalities with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which included protection of environment. We are subject to various municipal corporation's act and regulations as the operation of our establishments might have an impact on the environment in which they are situated.

### **The Environment (Protection) Act, 1986 ("EPA"), Environment Protection Rules, 1986 (the "EP Rules") and The Environmental Impact Assessment Notification, 2006 ("EIA Notification")**

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate and laying down safeguards for handling hazardous substances, amongst others. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations.

Further, the EP Rules specifies, inter alia, the standards for emission or discharge of environmental pollutants, restrictions on the location of industries and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

### **Draft Environment Impact Assessment Notification 2020 ("EIA 2020")**

Ministry of Environment, Forest and Climate Change has issued Draft Environment Impact Assessment Notification 2020 ("EIA 2020") which proposes to replace the erstwhile Environment Impact Assessment Notification, 2006. The EIA 2020, inter alia, contemplates two kinds of approvals, being (i) prior environment clearance with the approval of expert committees; and (ii) environmental permission or provision without the approval of expert committees. Certain projects including clay and sand extraction, digging well or foundations of buildings, solar thermal power plants and common effluent treatment plants have been exempted from such approvals.

### **Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")**

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. They also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Boards.

The Central Pollution Control Board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

### **Noise Pollution (Regulation and Control) Rules, 2000 ("Noise Pollution Rules")**

The Noise Pollution Rules regulate and control the noise producing and generating sources including from industrial activity and sets ambient air quality standards in respect of noise for different areas/zones. The Noise Pollution Rules provide for penalties in accordance with the EP Act for use of loudspeakers, public address system, among others, in a silence zone or area.

### **Labour law legislations**

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative discussion of labour laws which may be applicable to our Company due to the nature of its business activities:



### **The Code on Wages, 2019 (the “Wage Code”)**

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Ministry of Labour and Employment vide notification dated December 18, 2020 notified certain provisions of the Wage Code. The provisions of this code will be brought into force on a date to be notified by the Central Government:

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The code proposes to provide for inter alia standards for health, safety and working conditions for employees of the establishments. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### **The Code on Social Security, 2020 (“Social Security Code”)**

The Social Security Code received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The new code proposes to set up a National Social Security Board and State Unorganized Workers Board to administer schemes for unorganized workers. The Social Security Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employee-employer work-arrangements (including in online and digital platforms such as ours), such as 'gig workers' and 'platform workers' and provides for the mandatory registration of such workers in order to enable these workers to avail benefits of, among others, life and disability cover, health and maternity benefits, old age protection, under schemes framed under the Social Security Code from time to time. Further, the Social Security Code provides that such schemes may inter alia, be partly funded by contributions from platforms such as ours. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### **Other Labour law legislations:**

In addition to the aforementioned material legislations which are applicable to our Company, some of the other labour legislations that may be applicable to the operations of our Company include:

1. State-wise Labour welfare fund legislations and rules made thereunder;
2. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the rules made thereunder;
3. Equal Remuneration Act, 1976;
4. Rights of Persons with Disabilities Act, 2016; and
5. Child and Adolescent Labour (Prohibition and Regulation) Act, 1986.

### **The Equal Remuneration Act, 1976**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The Act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

## **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

### **Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 6C of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### **The Employees' Pension Scheme, 1995**

Family pension in relation to this Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this Act. Every employee who is member of EPF or PF has an option of the joining the scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the all the employees who are members of the fund.

### **Employees' State Insurance Act, 1948 (the "ESI Act")**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

### **Payment of Gratuity Act, 1972 (the "Act")**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

### **Maternity Benefit Act, 1961 (the "Act")**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

### **Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (the “Child Labour Act”)**

The Child Labour Act prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (the “Act”)**

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the Act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

### **The Companies Act, 1956 and The Companies Act, 2013**

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs vide its notification dated September 12, 2013 has notified 98 sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. Further 183 sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

### **The Indian Contract Act, 1872 (Contract Act)**

The Contract Act codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### **The Information Technology (Amendment) Act, 2008 (IT Act)**

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. The Act provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "electronic commerce", which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies and further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Bankers' Books Evidence Act, 1891 and the Reserve Bank of India Act, 1934 and for matters connected therewith or incidental thereto. A major amendment was made in 2008 introducing Sections 66A and 69 giving wide powers to the government authorities.

### **Competition Act, 2002 ("Competition Act")**

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade.

The Competition Commission of India "Competition Commission") which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

## **The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951**

The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”) In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951.

The Central Government has vide its notification numbering 1702(E) dated June 1, 2020 amended the definition of MSME which has come into effect from July 1, 2020.

The revised definition is as under:

- i. a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one Crore rupees and turnover does not exceed five Crore rupees;
- ii. a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten Crore rupees and turnover does not exceed fifty Crore rupees; and
- iii. a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty Crore rupees and turnover does not exceed two hundred and fifty Crore rupees.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority.

The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (‘Council’). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

## **INTELLECTUAL PROPERTY LAWS**

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957, trademark protection under the Trade Marks Act, 1999 and design protection under the Designs Act, 2000. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

### **The Trade Marks Act, 1999 (the “Trade Marks Act”)**

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademarks Act. An application for trademark registration may be made by individual or joint applicants by any person claiming to be the proprietor of a trade mark, and can be made on the basis of either use or intention to use a trademark in the future. Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten (10) years unless cancelled. If not renewed after ten (10) years, the mark lapses and the registration has to be restored. While both registered and unregistered trademarks are protected under Indian Law, the registration of trademarks offers significant advantages to the registered owner, particularly with respect to proving infringement.

The Trade Mark (Amendment) Act, 2010 has been enacted by the GoI to amend the Trade Marks Act in order to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries, and to empower the Registrar of Trademarks to do so. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

### **Copyright Act, 1957**

The Copyright Act, 1957 protects literary and dramatic works, musical works, artistic works including maps and technical drawings, photographs and audio-visual works (cinematograph films and video).

## **Patents Act, 1970**

The Patents Act, 1970 (the “Patents Act”) governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to the broad requirement that an invention, a patent has to satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection. The Patents Act stipulates that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is twenty (20) years from the date of filing of the application for the patent.

## **Tax Related Legislations**

### **Income-tax Act, 1961**

Income-tax Act, 1961 (“IT Act”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made there under depending upon its ‘Residential Status’ and ‘Type of Income’ involved. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

### **The Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made thereunder are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number. Goods &

### **Goods and Services Tax (“GST”)**

GST is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST is levied as dual GST separately but concurrently by the Union (central tax – CGST) and the States (including Union Territories with legislatures) (State tax – SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament would have exclusive power to levy GST (integrated tax – IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. Under GST, goods and services are taxed at the following rates 5%, 12%, 18% and 28%. Besides, some goods and services would be under the list of exempt items.

## **GENERAL LAWS:**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act 1881, Indian Contract Act, 1872, Transfer of Property Act, 1882, Indian Stamp Act, 1899 and (amended Act, 2020), Sale of Goods Act, 1930, Information Technology Act, 2000 etc.

## **OTHER LAWS:**

### **Foreign Trade (Development and Regulation) Act, 1992 (the “Act”)**

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this Act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (“DGFT”) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall vest in him.



The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said Act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

### **Foreign Exchange Management Act, 1999 (“FEMA”)**

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

### **FEMA Regulations**

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

### **The Foreign Direct Investment**

The Government of India from time to time has made policy and pronouncements on Foreign Direct Investments (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), FDI Policy as on October 15, 2020. This Circular accordingly is effective since October 15, 2020 and will remain in force until Consolidated FDI Policy 2020 Department for Promotion of Industry and Internal Trade 6 superseded in totality or in part thereof. Reference to any statute or legislation made in this Circular shall include modifications, amendments or re-enactments thereof.

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, applicable SEBI regulations and rules framed thereunder and other applicable statutes enacted by the GoI or relevant state governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.



## **OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS**

### **BRIEF HISTORY AND CORPORATE PROFILE**

Our Company was originally incorporated on December 18, 2008 as a Private Limited Company in the name of “M R Agriculture Private Limited” vide Registration No. 020983 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh and Chhattisgarh. Further, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on June 15, 2020 name of our Company was changed to “Reeotech International Cargo and Courier Private Limited” and a Fresh Certificate of Incorporation was issued by Registrar of Companies, Chhattisgarh. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on February 15, 2022 our Company was converted from a Private Limited Company to Public Limited Company and the name of our Company was changed to “Reeotech International Cargo and Courier Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on April 12, 2022 by the Registrar of Companies, Chhattisgarh bearing Corporate Identification Number U51100CT2008PLC020983.

As on date of this Draft Prospectus, our Company has Seven (7) shareholders.

Our Company is promoted by Mr. Mahendra Ahuja and Ms. Roma Ahuja.

Mr. Mahendra Ahuja started as a small trader of coal in 2020, and within a short span of time, Reeotech has emerged as one of the recognised suppliers of coal in the state of Chhattisgarh. We are based at Raipur, Chhattisgarh, and our operations are spread across India, with a wide network of Customers. Our diversified product portfolio comprises coal from Indonesia, South Africa, Australian and India, among other origins. We supply our products to the customers in various sectors i.e., Power, Steel, Rolling and other industries. An effective handling and transportation of the orders is facilitated through Road transportation and Railway. In a very short span of time, our Company has been able to recognize itself as a trusted name in the coal industries due to its commitment to quality and reliability since its inception. Our Company is one of the recognised traders of Coal and perform its operations from Gangavaram and other ports.

For information on our Company’s business profile, activities, services, managerial competence, and customers, see chapters titled, ***“Our Business”***, ***“Financial Statements as Restated”***, and ***“Management’s Discussion and Analysis of Financial Condition and Results of Operations”*** beginning on page 99, 145 and 146 respectively of this Draft Prospectus.

### **ADDRESS OF REGISTERED OFFICE**

Our company’s registered office is situated at Sai Kunj Civil Lines, Raipur, Chhattisgarh 492001 India.

### **CHANGES IN OUR REGISTERED OFFICE**

There have been no changes in the Registered office of the Company from Incorporation till date.

### **MAJOR EVENTS AND MILESTONES**

The table below sets forth some of the key events in the history of our Company:

<b>Calendar Year</b>	<b>Particulars</b>
2008	Incorporation of our company in the name and style of “M R Agriculture Private Limited”
2020	Our Company name was changed to “Reeotech International Cargo and Courier Private Limited”
2020	Started Coal Trading and supplying coal all over India.
2022	Company achieved a turnover of ₹ 100+ crores.
2022	Conversion of our Company from Private Limited Company to Public Limited Company and Change of name of Company to Reeotech International Cargo and Courier Limited

### **MAIN OBJECTS OF OUR COMPANY**

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The main object of our Company is:

1. To purchase lease, sub-lease, hire, contract, or by any other mean, develop or maintain any freehold or leasehold property, land, estate and farm, orchard or any right on property. establish, own or acquire factories or manufacturing arrangement, for any of the objects; to carry on business as developers, processor, traders, exporter, importer,

spinner, miller, job-worker, agent. otherwise deal in farming of all kind including, but not limited to, grains, vegetable, seeds, flax. cotton, dal, cereals, flours, bread, biscuit, cattle food, artificial manures, fertilizers, linseed cotton jute, flowers, straw, fodder, and related products, and to apply for tender, purchase or otherwise acquire any contracts of the aforesaid goods.

2. To carry on the business as processor, tenders, exporters, importers, agents, and otherwise dual in Rice milling, Rice sorting, Rice Polishing, Paddy Processing, agricultural products processing, parboiling, Oat, milling, Oil processing, Oil Mill, Refining, Solvent Extraction, Food processing, Vegetable Processing, Fruit Processing & Packaging, Growing, Cultivating, Agricultural Products, food products, forest product, like Mahuwa Guar, Gum etc, to carry on the business of Rice millers in all its branches and to set up mills for milling paddy, wheat gram, others grains, and cereals. Dali, Basin, Maida, Alia, Suji, and other allied products and to manufacture any by product and manufacture food products; such biscuits, flakes, dalia, and confectionery, from rice flours of all kind. and description and to set up factories or milk for the manufacture thereof.
3. To do the business of trading, export and import of coal, iron ore, billet, and other natural resources, and to deal in all product made of iron and steel coaking coal, manganese, limestone, refectories, and other allied industries, and to carry on the business of transporter, clearing and forwarding agent, courier, and cargo handlers, handling and haulage contractor, warehousemen, common carriers, by land, rail, water, and air, container agent to handle goods and passengers within the country and outside.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

Date of Meeting	Meeting	Nature of Amendment
June 15, 2020	EGM	<b><u>Alteration in Name Clause:</u></b> Alteration of the name Clause pursuant to change of name of the company from 'M R Agriculture Private Limited' to 'ReeTech International Cargo and Courier Private Limited'.
June 15, 2020	EGM	<b><u>Alteration in Object Clause:</u></b> Alteration of object clause of the company by way of inclusion of object of "To do the business of trading, export and import of coal, iron ore, billet, and other natural resources, and to deal in all product made of iron and steel coaking coal, manganese, limestone, refectories, and other allied industries, and to carry on the business of transporter, clearing and forwarding agent, courier, and cargo handlers, handling and haulage contractor, warehousemen, common carriers, by land, rail, water, and air, container agent to handle goods and passengers within the country and outside".
February 15, 2022	EGM	<b><u>Alteration in Name Clause:</u></b> Alteration of the name Clause pursuant to change of name of the company from 'ReeTech International Cargo and Courier Private Limited' to 'ReeTech International Cargo and Courier Limited'
June 18, 2022	EGM	<b><u>Alteration in Capital Clause:</u></b> Alteration of Capital Clause pursuant to increase in Authorised Share Capital of the Company from ₹ 10,00,000 (One Crore) divided into 10,00,000 equity shares of ₹ 10/- each to ₹ 6,00,00,000 (Six Crores) divided into 60,00,000 equity shares of ₹ 10/- each.

#### DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATIONS OR REVALUATION OF ASSETS

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

#### DETAILS REGARDING HOLDING / SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURE

As on date of filing of this Draft Prospectus, our Company does not have any Holding Company or Joint Venture.

As on the date of this Draft Prospectus, our Company has one associate company.

##### 1. M AHUJA PROJECT (INDIA) PRIVATE LIMITED

- a) **Brief History:** The company was incorporated in the name and style M Ahuja Project (India) Private Limited vide registration number 020482 on December 16, 2007. The company has its registered office at Sai Kunj Civil Lines Raipur, Chhattisgarh, 492001 India.

- b) **Business activities to be carried:** To purchase, acquire, contract, develop, sell, take in exchange or on lease, hire or otherwise acquire, whether for investment or sale or working or developing the same, any lands or interest in or with respect to any lands, whether developed or underdeveloped, whether agricultural or non-agricultural, whether rural or urban, develop the same and sell, let on hire or lease or otherwise deal in lands and to carry on business of land development, builders, contractors, erection and construction of houses, residential flats, buildings, shopping complexes, roads, colonies, commercial buildings and provide consultancy for development of lands and construction of buildings and to act as promoter builders. To carry on the business of housing
- c) **Capital Structure:** Authorised Capital Rs 9,00,00,000/- and Paid-up capital Rs. 7,90,80,000/-
- d) **Shareholders of the Company**

Sr. No.	Name of Shareholder	No of Shares held	Percentage of Holding
1.	Mr. Mahendra Ahuja	42,21,392	53.38
2.	Reetech International Cargo and Courier Limited	28,75,402	36.36
3.	Ms. Roma Ahuja	6,74,706	8.53
4.	Ispel Ventures And Realty Private Limited	1,36,500	1.73
	<b>Total</b>	<b>79,08,000</b>	<b>100.00</b>

- e) There is no amount of accumulated profits or losses of the subsidiary(ies) not accounted for by the issuer.

#### **DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATIONS OR REVALUATION OF ASSETS**

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets since incorporation.

#### **DETAILS REGARDING HOLDING / SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURE**

As on date of filing of this Draft Prospectus, our Company does not have any Holding or Joint Venture but we have an associate company.

#### **SUBSIDIARY COMPANIES**

As on date of filing of this Draft Prospectus, our Company does not have any subsidiary or Joint Venture Company.

#### **CAPACITY / FACILITY CREATION, LOCATION OF PLANTS**

Our Company is engaged in the business of trading of coal and hence capacity creation and related information is not applicable.

#### **GUARANTEES PROVIDED BY OUR PROMOTERS**

As on the date of this Draft Prospectus, no guarantee has been issued by Promoters except as disclosed in the ***“Statement of Financial Indebtedness”*** beginning on page 158 of this Draft Prospectus.

#### **CHANGES IN THE ACTIVITIES OF OUR COMPANY SINCE INCORPORATION**

There have been no changes in the activities of our Company since incorporation which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS FROM FINANCIAL INSTITUTIONS / BANKS**

There have been no defaults or rescheduling / restructuring of borrowings with financial institutions / banks in respect of borrowings of our Company.

#### **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the units of our Company.

## **TIME AND COST OVER RUNS**

Our Company has not implemented any projects and has therefore, not experienced any time or cost overrun in setting up of projects.

## **SHAREHOLDERS' AGREEMENTS**

As on the date of this Draft Prospectus, our Company has not entered into any Shareholders' Agreements.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY**

There are no agreements entered into by key managerial personnel or a Director or Promoters or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

## **MATERIAL AGREEMENTS**

As on the date of this Draft Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled '***Our Business***' beginning on page 99 of this Draft Prospectus.

## **STRATEGIC PARTNERS**

As of the date of this Draft Prospectus, our Company does not have any Strategic Partners.

## **FINANCIAL PARTNERS**

As on the date of this Draft Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

## OUR MANAGEMENT

### **BOARD OF DIRECTORS**

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Draft Prospectus, our Company has 5 (Five) Directors on the Board, 2 (Two) as Executive Director, 1 (One) as Non-Executive Directors and 2 (Two) as Independent Directors.

Set forth below are details regarding the Board of Directors as on the date of this Draft Prospectus:

<b>Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term</b>	<b>Date of Appointment / Reappointment</b>	<b>Other Directorships / Designated Partners</b>
<b>Name:</b> Mr. Mahendra Ahuja <b>Father's Name:</b> Late Prahalad Rai Ahuja <b>DOB:</b> October 23, 1982 <b>Age:</b> 39 Years <b>Qualification:</b> HSC <b>Designation:</b> Managing Director <b>Address:</b> Sai Kunj, Kali Mata Mandir Road, Katora Talab, Civil Lines, Raipur, Chhattisgarh - 492001, India. <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>DIN:</b> 00247075 <b>PAN:</b> AFFPA3611K <b>Term:</b> Appointed as Managing Director of the Company for a period of 5 years w.e.f. June 18, 2022 upto June 17, 2027.	Appointed as Non-Executive Director w.e.f. December 18, 2008  Change in Designation from Non-Executive Director to Executive Director w.e.f. June 11, 2022  Appointed as Managing Director w.e.f. June 18, 2022	<b>Indian Public Limited Companies</b> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <b>Indian Private Limited Companies</b> <ul style="list-style-type: none"> <li>• M Ahuja Project (India) Private Limited</li> </ul> <b>Indian Companies Limited by Guarantee</b> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <b>Indian Limited Liability Partnerships</b> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p><b>Name:</b> Ms. Roma Ahuja</p> <p><b>Father's Name:</b> Mr. Anand Kukreja</p> <p><b>DOB:</b> April 22, 1984</p> <p><b>Age:</b> 38 Years</p> <p><b>Qualification:</b> B.Com</p> <p><b>Designation:</b> Executive Director</p> <p><b>Address:</b> Kali Mata Mandir Road, In front of PWD Office, Sai Kunj, Civil Lines, Raipur, Chhattisgarh- 492001</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 00247153</p> <p><b>PAN:</b> AGBPA6989K</p> <p><b>Term:</b> Not liable to retire by rotation</p>	<p>Appointed as Non-Executive on Director w.e.f. December 18, 2008.</p> <p>Change in designation from Non-Executive Director to Executive Director w.e.f. June 11, 2022</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• M Ahuja Project (India) Private Limited</li> </ul> <p><b>Indian Companies Limited by Guarantee</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p><b>Name:</b> Mr. Vijay Kumar Khilnani</p> <p><b>Father's Name:</b> Mr. Shyam Lal Khilnani</p> <p><b>DOB:</b> April 11, 1964</p> <p><b>Age:</b> 58 Years</p> <p><b>Qualification:</b> HSC</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> 14/319, Ashok Niwas, Kelakarapara Ganj, Raipur Ganj, Bindrawangarh, Raipur, Chattisgarh- 492009, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09308716</p> <p><b>PAN:</b> AESPK9531N</p> <p><b>Term:</b> Liable to retire by rotation</p>	<p>Appointed as Executive Director w.e.f. September 07, 2021</p> <p>Change in designation from Executive Director to Non-executive Director w.e.f. June 11, 2022</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Companies Limited by Guarantee</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>



Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p><b>Name:</b> Mr. Manish Kumar</p> <p><b>Father's Name:</b> Mr. Mahipal Singh</p> <p><b>DOB:</b> January 07, 1991</p> <p><b>Age:</b> 31 years</p> <p><b>Qualification:</b> Master of Commerce</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> Plot No. 22/2, Suchetapuri, Modi Nagar, Ghaziabad, Uttar Pradesh- 201204</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09614422</p> <p><b>PAN:</b> ESKPK0568K</p> <p><b>Term:</b> Appointed as Independent Director of the Company for a period of 5 years w.e.f. June 18, 2022 upto June 17, 2027</p>	<p>Appointed as Independent Director of the Company w.e.f. June 18, 2022</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Companies Limited by Guarantee</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p><b>Name:</b> Mr. Mukesh Chandwani</p> <p><b>Father's Name:</b> Mr. Paramanand Chandwani</p> <p><b>DOB:</b> February 26, 1984</p> <p><b>Age:</b> 38 years</p> <p><b>Qualification:</b> HSC</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 125, Sector-1, Shakti Nagar, Main Road, Opp. Shopping Complex, Huzur, H.E. Hospital, Bhopal, Madhya Pradesh- 462024</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09616819</p> <p><b>PAN:</b> AFIPC8098K</p> <p><b>Term:</b> Appointed as Independent Director of the Company for a period of 5 years w.e.f. June 18, 2022 upto June 17, 2027</p>	<p>Appointed as Independent Director of the Company w.e.f. June 18, 2022.</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Companies Limited by Guarantee</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

## BRIEF PROFILE OF DIRECTORS

**Mr. Mahendra Ahuja**, aged 39 years, is the Promoter and Managing Director of our Company. He was appointed as Managing Director with effect from June 18, 2022. He has more than 14 years of experience in the field of management, finance and overall business development. In a Company he is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.

**Ms. Roma Ahuja**, aged 38 years, is the Promoter and Executive Director. She was the Non-Executive Director of our Company since incorporation, later her designation was changed to Executive Director w.e.f. June 11, 2022. She has completed her Bachelor in Commerce from Pt. Ravishankar Shukla University, Raipur in the year 2005. A dynamic leader who has more than 14 years of experience in the business of Implementation of Strategic objectives, administration, preparing budgets, reviewing accounting procedures, financial analysis, she always delivers value to the customers and endeavour in fulfilling / exceeding their expectations.

**Mr. Vijay Kumar Khilnani**, aged 58, was appointed as the Executive Director of our Company with effect from September 07, 2021, later the designation was changed from Executive Director to Non-Executive Director with effect from June 11, 2022. He possesses good knowledge in Planning, Administration, Monitoring, Coordination & Team Management and Marketing. His role in the company includes overseeing whether company's programmes and projects are being executed in right direction as per its aim and objectives, recommending business policies to the board governing the company, establishing long-term business plans for supporting the vision and values of the company.

**Mr. Manish Kumar**, aged 31, is appointed as an Independent Director of our company with effect from June 18, 2022 for a period of 5 years ending on June 17, 2027. He has completed his Degree in Masters in Commerce from Ch. Charan Singh University, Meerut in the year 2016. He has experience in the area of keeping the company up-to-date with latest business trends, developing better business techniques and practices.

**Mr. Mukesh Chandwani**, aged 38, is appointed as an Independent Director of our company with effect from June 18, 2022 for a period of 5 years ending on June 17, 2027. He has completed his HSC from Bhopal, Madhya Pradesh in the year 2000. He has experience in the area of keeping the company up-to-date with latest business trends, developing better business techniques and practices and developing better business techniques and practices.

## CONFIRMATIONS

- None of the Directors and Key Managerial Personnel of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.
- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or Member of Senior Management.
- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- As on the date of this Draft Prospectus, none of our directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- As on the date of this Draft Prospectus, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- As on the date of this Draft Prospectus, none of our director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- As on the date of this Draft Prospectus, none of our director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.

- As on the date of this Draft Prospectus, none of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoters, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

## REMUNERATION / COMPENSATION TO OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 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). Set forth below is the remuneration payable by our Company to our Directors for a financial year:

(₹ in Lakh)

Sr. No.	Name of Director	Remuneration shall not exceed
1.	Mr. Mahendra Ahuja	12.00
2.	Ms. Roma Ahuja	12.00
	<b>Total</b>	<b>24.00</b>

Remuneration paid for F.Y. 2021 -22, the directors have been paid gross remuneration as follows:

(₹ in Lakh)

Sr. No.	Name of Director	Remuneration paid
1.	Mr. Mahendra Ahuja*	6.60
2.	Ms. Roma Ahuja	6.00
	<b>Total</b>	<b>12.60</b>

\*Appointed as Managing Director of the Company w.e.f. June 18, 2022.

## TERMS AND CONDITIONS OF EMPLOYMENT OF OUR DIRECTORS

### Mr. Mahendra Ahuja

Mr. Mahendra Ahuja was appointed as Managing Director for a period of 5 (five) years commencing from June 18, 2022 till June 17, 2027. The significant terms of his employment are as below:

<b>Remuneration</b>	₹ 12.00 Lakh per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Managing Director for a period of 5 (five) years commencing from June 18, 2022
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

### Ms. Roma Ahuja

Ms. Roma Ahuja was appointed as Appointed as Non-Executive on Director w.e.f. December 18, 2008. Further, Change in designation from Non-Executive Director to Executive Director w.e.f. June 11, 2022. The significant terms of his employment are as below:

<b>Remuneration</b>	₹ 12.00 Lakh per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Non-Executive on Director w.e.f. December 18, 2008. Further, Change in designation from Non-Executive Director to Executive Director w.e.f. June 11, 2022
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

## SITTING FEES

The payment of sitting fees to the Non-Executive Director and Independent Directors of the Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in following manner:

Sr. No.	Name of Director	Fees for attending the meeting of	
		Board of Directors	Committee Meetings
1.	Mr. Vijay Kumar Khilnani	₹ 2,000/- per Meeting	₹ 2,000/- per Meeting
2.	Mr. Manish Kumar	₹ 2,000/- per Meeting	₹ 2,000/- per Meeting
3.	Mr. Mukesh Chandwani	₹ 2,000/- per Meeting	₹ 2,000/- per Meeting

## BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on June 18, 2022, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹ 20,000.00 Lakhs over and above the aggregate of the paid up share capital and free reserves which may have not been set apart for any purpose.

## SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Our Articles of Association do not require our Directors to hold qualification shares.

As on date of this Draft Prospectus, our Directors hold the following number of Equity Shares of our Company:

Sr. No.	Name of Directors	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1)	Mr. Mahendra Ahuja	15,43,150	42.52
2)	Ms. Roma Ahuja	20,86,000	57.47
3)	Mr. Vijay Kumar Khilnani	70.00	0.01
4)	Mr. Manish Kumar	0.00	0.00
5)	Mr. Mukesh Chandwani	0.00	0.00

## INTEREST OF OUR DIRECTORS

Our Managing Director may be interested to the extent of remuneration paid to them, respectively for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, please refer ***"Terms and conditions of employment of our Managing Director and Executive Director"*** above. Further, all our Non-Executive and Independent Directors may be interested to the extent of fees payable to them and / or the commission payable to them for attending meetings of the Board of Directors or a committee thereof. The Independent Directors are paid sitting fees for attending the meetings of the Board and committees of the Board and may be regarded as interested to the extent of such sitting fees and reimbursement of other expenses payable to them as per their terms of appointment.

Three of our Directors, Mr. Mahendra Ahuja, Ms. Roma Ahuja and Mr. Vijay Kumar Khilnani may be deemed to be interested in the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them if any.

### ***Interest in promotion of our Company***

Except Mr. Mahendra Ahuja and Ms. Roma Ahuja, none of our Directors have any interest in the promotion or formation of our Company as of the date of this Draft Prospectus.

### ***Interest in the property of our Company***

Except as stated in the chapter titled ***"Related Party Transaction"*** beginning on page 143 of this Draft Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 2 (two) years preceding the date of this Draft Prospectus in which the Directors are interested directly or indirectly and no payments have been made

to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled ***“Our Properties”*** under the chapter titled ***“Our Business”*** beginning on page 99 of this Draft Prospectus.

#### ***Interest as Creditor of our Company***

As on the date of this Draft Prospectus, except as stated in the chapter titled ***“Statement of Financial Indebtedness”*** and heading titled ***“Related Party Transactions”*** under chapter titled ***“Financial Statements as Restated”***, our Company has not availed loans from Directors of our Company.

#### ***Interest in the business of Our Company***

Further, save and except as stated otherwise in ***“Statement of Related Parties Transactions”*** in the chapter titled ***“Financial Statements as Restated”*** of this Draft Prospectus, our directors do not have any other interests in our Company as on the date of this Draft Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

#### ***Interest in transactions involving acquisition of land***

Our directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated / referred to under the heading titled ***“Our Properties”*** under chapter titled ***“Our Business”*** beginning on page 99 of this Draft Prospectus, our directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

#### ***Interest as Member of a Company or Firm***

Except as stated in this chapter the section titled ***“Related Party Transactions”*** and the chapter ***“Our Business”*** beginning on page 143 and 99 of this Draft Prospectus respectively, our Directors do not have any other interest in our business

#### ***Other Interests***

Except as stated above, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

Further, our directors may be directors on the board, or are members, or are partners, or are trustees of certain Group Entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to such Group Entities. For the payments that are made by our Company to certain Group Entities, please refer chapters titled ***“Financial Statements as Restated”*** and ***“Related Party Transactions”*** beginning on page 145 and 143 of this Draft Prospectus.

### **PAYMENT OF BENEFITS**

Except to the extent of remuneration payable to the Managing Director for services rendered to our Company and to the extent of other reimbursement of expenses payable to them as per their terms of appointment, our Company has not paid in the last 2 (two) years preceding the date of this Draft Prospectus, and does not intend to pay, any amount or benefits to our directors.

### **APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT**

Except as disclosed in this Draft Prospectus, none of the relatives of our directors currently hold any office or place of profit in our Company.

### **BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS**

None of our Directors are a party to any bonus or profit-sharing plan.

## POLICIES ADOPTED BY OUR COMPANY

Our Company has adopted the following policies:

- Policy on Code of Conduct for Directors and Senior Management
- Policy of Audit Committee
- Policy of Nomination and Remuneration Committee
- Policy of Stakeholder Relationship Committee
- Policy on Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information
- Policy on Disclosure and Internal Procedure for Prevention of Insider Trading
- Policy on Whistle Blower and Vigil Mechanism
- Policy on Related Party Transactions (RPT)
- Policy for Preservation of Documents and Archival of Documents
- Policy for Prevention of Sexual Harassment
- Policy on Materiality for Disclosures of events to Stock Exchanges
- Policy on Code of Independent Directors and Familiarization of Independent Director
- Policy for identification of Materiality of outstanding Litigations involving Company, its subsidiary, Directors, Promoters and other Group Companies
- Policy on Material Outstanding due to the Creditors

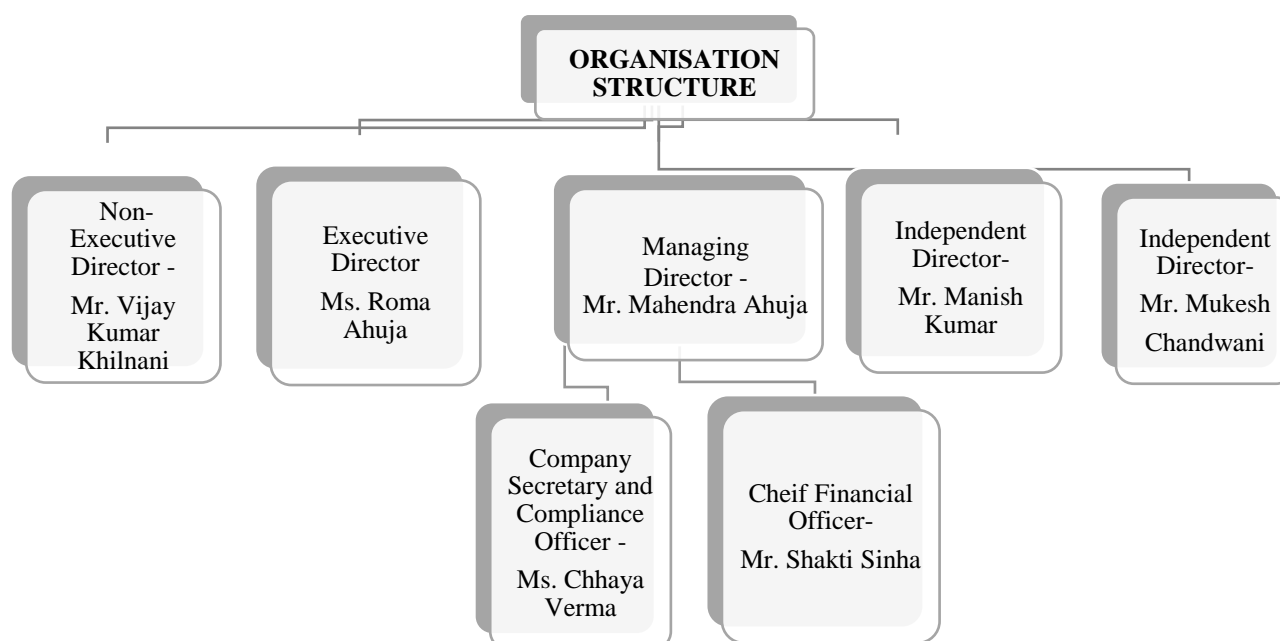
## CHANGES IN OUR BOARD DURING THE LAST THREE YEARS

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

Sr. No.	Directors	Date of Event	Event
1	Mr. Vijay Kumar Khilnani	September 07, 2021	Appointed as Executive Director
2	Mr. Mahendra Ahuja	June 11, 2022	Change in Designation from Non-Executive Director to Executive Director
3	Ms. Roma Ahuja	June 11, 2022	Change in Designation from Non-Executive Director to Executive Director
4	Mr. Vijay Kumar Khilnani	June 11, 2022	Change in Designation from Executive Non-Director to Executive Director
5	Mr. Mahendra Ahuja	June 18, 2022	Appointed as Managing Director
6	Mr. Manish Kumar	June 18, 2022	Appointed as Independent Director
7	Mr. Mukesh Chandwani	June 18, 2022	Appointed as Independent Director



## ORGANISATION STRUCTURE



## CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, provisions of the SEBI (LODR) Regulation, 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof.

The Corporate Governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Draft Prospectus, there are 5 (Five) Directors on our Board out of which one third are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013.

## COMMITTEES OF OUR BOARD

**The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:**

- a) Audit Committee
- b) Stakeholders' Relationship Committee
- c) Nomination and Remuneration Committee

d) Corporate Social Responsibility Committee

### **Audit Committee**

Our Company has constituted an Audit Committee ("Audit Committee"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on July 15, 2022.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises the following 3 (Three) directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Mr. Manish Kumar	Chairman	Independent Director
2.	Mr. Mukesh Chandwani	Member	Independent Director
3.	Ms. Roma Ahuja	Member	Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the SEBI (LODR) Regulation, 2015.

### ***Meetings of Audit Committee and Quorum***

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

### ***Powers of Audit Committee***

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

### ***Role of Audit Committee***

The role of the Audit Committee shall include the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditor of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4. Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- a) 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, as amended;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by the management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with SEBI Listing Regulations and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions; and
  - g) Qualifications / modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
  7. 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;
  8. Approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;
  9. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
  10. Scrutinizing of inter-corporate loans and investments;
  11. Valuing of undertakings or assets of the Company, wherever it is necessary;
  12. Evaluating of internal financial controls and risk management systems;
  13. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  15. 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;
  16. Discussing with internal auditors of any significant findings and follow up there on;
  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. Discussing 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. Looking 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;
  20. Reviewing the functioning of the whistle blower mechanism;
  21. Approving the appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and

22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.
23. Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
24. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

Further, the Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

#### **Stakeholders' Relationship Committee**

Our Company has constituted a shareholder / investors grievance committee "***Stakeholders' Relationship Committee***" to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on July 15, 2022.

The Stakeholders' Relationship Committee comprises:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Mr. Manish Kumar	Chairman	Independent Director
2.	Mr. Mukesh Chandwani	Member	Independent Director
3.	Ms. Roma Ahuja	Member	Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

#### ***Tenure***

The Stakeholder's 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 Stakeholder's Relationship Committee as approved by the Board.

#### ***Meetings***

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

### ***Role of the Stakeholders' Relationship Committee***

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Efficient transfer of shares including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate / split / consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer / transmission of shares and debentures;
4. Allotment and listing of shares in future;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances;
7. Ensure proper and timely attendance and redressal of investor queries and grievances; and
8. To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

### **Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on July 15, 2022.

The Nomination and Remuneration Committee comprises the following Directors:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
1.	Mr. Manish Kumar	Chairman	Independent Director
2.	Mr. Mukesh Chandwani	Member	Independent Director
3.	Mr. Vijay Kumar Khilnani	Member	Non-Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

#### ***Tenure***

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

#### ***Meetings***

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including atleast one independent director in attendance.

### ***Role of the Nomination and Remuneration Committee not limited to but includes:***

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of performance of independent Directors and the Board;
3. Devising a policy on Board diversity;

4. Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;
5. Determining 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;
6. Analyzing, monitoring and reviewing various human resource and compensation matters;
7. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), usually consisting of a fixed and variable component;
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits) Regulations, 2014;
11. Framing suitable policies, procedures and systems to ensure that there is no violation, by and employee id any applicable laws in India or Overseas, including:
  - a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.”
12. Performing such other activities as may be delegated by the Board of Directors and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.

#### **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee shall formulate and recommend a CSR policy to the Board, the Company has constituted a Corporate Social Responsibility Committee pursuant to resolution of the Board of Directors dated July 15, 2022. The Corporate Social Responsibility Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company, monitor the CSR policy of the Company from time to time and establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company as per the requirements of the Companies Act, 2013, Listing Agreement and SEBI LODR for Corporate Governance. The scope of the Corporate Social Responsibility Committee is enclosed as [Annexure D]. The Corporate Social Responsibility Committee consists of the following Directors.

The Corporate Social Responsibility Committee comprises the following members:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Mr. Mahendra Ahuja	Chairman	Managing Director
2.	Ms. Roma Ahuja	Member	Executive Director
3.	Mr. Manish Kumar	Member	Independent Director

*Role of the Nomination and Remuneration Committee not limited to but includes:*

We further confirm that atleast one Director is an Independent Director.

CS Chhaya Verma, Company Secretary & Compliance Officer of our Company shall act as the secretary to the Corporate Social Responsibility Committee.



## Measures

In the aforesaid backdrop, policy on CSR of Reetech International Cargo and Courier Limited is broadly framed taking into account the following measures:

The CSR activities shall be undertaken by Reetech International Cargo and Courier Limited, as stated in this Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of Reetech International Cargo and Courier Limited employees or their family members shall not be considered as CSR activity.

Reetech International Cargo and Courier Limited shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board of Reetech International Cargo and Courier Limited may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

The following is the list of CSR projects or programs which Reetech International Cargo and Courier Limited plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
5. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
8. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
9. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
10. rural development projects;

Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

## Organisational mechanism and responsibilities

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company shall constitute a **Corporate Social Responsibility Committee** of the Board (“CSR Committee”) consisting of three or more directors, out of which at least one director shall be an independent director.

**The CSR Committee shall –**

1. Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
2. Recommend the amount of expenditure to be incurred on the activities; and
3. Monitor the Policy of the company from time to time.

The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company’s website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.

Reetech International Cargo and Courier Limited provide the vision under the leadership of its Managing Director, Mr. Mahendra Ahuja.

At the Company, the Managing Director takes on the role of the mentor, while the onus for the successful and time bound implementation of the CSR activities/projects is on the HR Head and CSR teams.

To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.

**Activities, setting measurable targets with timeframes and performance management:**

Prior to the commencement of CSR activities/projects, we carry out a baseline study of the nearby area/villages of the Company’s Site Locations.

The study encompasses various parameters such as – health indicators, literacy levels, sustainable livelihood processes, and population data – below the poverty line and above the poverty line, state of infrastructure, among others.

From the data generated, a 1-year plan and a 5-year rolling plan are developed for the holistic and integrated development of the affected people.

All activities/projects of CSR are assessed under the agreed strategy, and are monitored every quarter/year, measured against targets and budgets. Wherever necessary, midcourse corrections are made.

**Budgets**

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be any one Director or the Managing Director /Chief Financial Officer of the Company after due recommendation of CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by CBDT.

## Information dissemination

The Company's engagement in this domain is disseminated on its website & annual reports.

## POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations") will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

## OUR KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013:

Sr. No	Name of the KMPs	Designation
1.	Mr. Mahendra Ahuja	Managing Director
2.	Ms. Chhaya Verma	Company Secretary & Compliance Officer
3.	Mr. Shakti Sinha	Chief Financial Officer

## BREIF PROFILE OF KEY MANAGERIAL PERSONNEL:

### Mr. Mahendra Ahuja –Managing Director

Mr. Mahendra Ahuja is the Managing Director of our Company. For details, see *"Brief Profile of our Director"*, see *"Our Management"* beginning on page 117 of this Draft Prospectus.

### Ms. Chhaya Verma – Company Secretary & Compliance Officer

Ms. Chhaya Verma, aged 34 years, is the Company Secretary and Compliance Officer of our Company. She is appointed as Company Secretary and Compliance Officer of our Company at the meeting of the Board of Directors with effect from June 11, 2022. She is an Associate Member of Institute of Company Secretaries of India having Membership No. 64094.

<b>Term of Office with expiration Date</b>	Appointed as Company Secretary & Compliance Officer with effect from June 11, 2022.
<b>Details of service contract</b>	Not Applicable
<b>Function and areas of experience</b>	Responsible for complying with provisions, regulations, acts applicable to the company.

### Mr. Shakti Sinha- Chief Financial Officer

Mr. Shakti Sinha, aged 38 years, is the Chief Financial Officer of our Company. He was appointed as the Chief Financial Officer of our Company at the meeting of the Board of Directors with effect from June 11, 2022. He has completed his Bachelor of Commerce from Pt. Ravishankar Shukla University, Raipur in the year 2003 and Masters of Business Administration (Part Time) from Chhattisgarh Swami Vivekanand Technical University, Bhilai (C.G) in the year 2012.

## STATUS OF KEY MANAGERIAL PERSONNEL

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

## RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the above-mentioned key managerial personnel are related to each other. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

## RELATIONSHIP OF DIRECTORS / PROMOTERS WITH KEY MANAGERIAL PERSONNEL (KMPs)

None of the above-mentioned key managerial personnel are related to our Promoters or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

## SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

As on date of this Draft Prospectus, except as stated below, our Key Managerial Personnel do not hold any number of Equity Shares of our Company

Sr. No.	Name of Key Managerial Personnel	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1.	Mr. Mahendra Ahuja	15,43,150	42.52
2.	Ms. Chhaya Verma	Nil	Nil
3.	Mr. Shakti Sinha	70	0.00
	<b>Total</b>	<b>15,43,220</b>	<b>42.52</b>

## REMUNERATION / COMPENSATION TO OUR KMPs

Set forth below is the remuneration paid by our Company to our KMPs for the financial year ended March 31, 2022:

(₹ in Lakh)			
Sr. No.	Name of KMPs	Designation	Remuneration paid
1.	Mr. Mahendra Ahuja	Managing Director*	NIL
2.	Ms. Chhaya Verma	Company Secretary & Compliance Officer#	NIL
3.	Mr. Shakti Sinha	Chief Financial Officer**	NIL
	<b>Total</b>		<b>NIL</b>

\* Appointed as Managing Director of the Company w.e.f. June 18, 2022

# Appointed as Company Secretary & Compliance Officer of the Company w.e.f. June 11, 2022.

\*\* Appointed as Chief Financial Officer of the Company w.e.f. June 11, 2022.

The aforementioned KMP's are on the payrolls of our Company as permanent employees.

## BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL

As on the date of this Draft Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel.

## CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation as on date of this Draft Prospectus.

## LOANS TO KEY MANAGERIAL PERSONNEL

Except as stated in the Draft Prospectus, there is no loan outstanding against Key Managerial Personnel as on date of this Draft Prospectus.

## INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and may also be interested to the extent of Equity Shares held by them in our Company,

if any and dividends payable thereon, if any. Except as disclosed in this Draft Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration. Except as stated in the heading titled ***“Related Party Transactions”*** under the Section titled ***“Financial Statements as Restated”*** beginning on page 145 of this Draft Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

#### **CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS**

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Draft Prospectus:

<b>Sr. No.</b>	<b>Name</b>	<b>Date of Event</b>	<b>Reason</b>
1.	Ms. Chhaya Verma	June 11, 2022	Appointed as Company Secretary & Compliance Officer
2.	Mr. Shakti Sinha	June 11, 2022	Appointed as Chief Financial Officer
3.	Mr. Mahendra Ahuja	June 18, 2022	Appointed as Managing Director

#### **EMPLOYEES STOCK OPTION SCHEME**

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme as on the date of filing of this Draft Prospectus.

#### **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except as stated in this Draft Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company’s officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled ***“Financial Statements as Restated”*** beginning on page 145 of this Draft Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoters.

#### **ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled ***“Our History and Certain Other Corporate Matters”*** beginning on page 113 of this Draft Prospectus.



## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTERS

The Promoters of our Company are Mr. Mahendra Ahuja and Ms. Roma Ahuja.

As on the date of this Draft Prospectus, Our Promoters holds an aggregate of **36,29,150** Equity Shares, representing **99.99%** of the Pre-Issue Issued, Subscribed and Paid-up Equity Share Capital of our Company.

### BRIEF PROFILE OF OUR INDIVIDUAL PROMOTERS

<p><b>Mr. Mahendra Ahuja</b></p> 	<p><b>Mr. Mahendra Ahuja</b>, Promoter and Managing Director of our Company. He was appointed as Managing Director with effect from June 18, 2022. He has been an entrepreneur since 2007 and has been successfully engaged in the business of real estate in the city of Raipur. In the company he is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.</p> <p><b>Date of Birth:</b> October 23, 1982</p> <p><b>Age:</b> 39 years</p> <p><b>Residential Address:</b> Sai Kunj, Kali Mata Mandir Road, Katora Talab, Civil Lines, Raipur, Chhattisgarh - 492001, India.</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> AFFPA3611K</p>
<p><b>Ms. Roma Ahuja</b></p> 	<p><b>Ms. Roma Ahuja</b>, aged 38 years, is the Promoter and Executive Director of our Company. She was appointed as the First Director of our Company at the time of incorporation and later the designation was changed to Executive Director with effect from June 18, 2022. In the Company she is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.</p> <p><b>Date of Birth:</b> April 22, 1984</p> <p><b>Age:</b> 38 years</p> <p><b>Residential Address:</b> Kali Mata Mandir Road, In front of PWD Office, Sai Kunj, Civil Lines, Raipur, Chhattisgarh- 492001</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> AGBPA6989K</p>

For the complete profile of our Promoters - educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see ***"Our Management"*** beginning on page 117 of this Draft Prospectus.



## DECLARATION

We declare and confirm that the details of the Permanent Account Number, Aadhaar Card Number and Driving License Number, Passport Number and Bank Account Number of our Promoters will be submitted to the Stock Exchange i.e., BSE Limited, where the Equity Shares are proposed to be listed at the time of filing this Draft Prospectus.

## CHANGE IN CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

## EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter ***“Our Management”*** beginning on page 117 of this Draft Prospectus.

## INTEREST OF OUR PROMOTERS

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, and (ii) to the extent of their shareholding in our Company. For details on shareholding of our Promoters in our Company, see ***“Capital Structure”*** beginning on page 59 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please refer the section titled ***“Related Party Transactions”*** in chapter ***“Financial Statements as Restated”*** beginning on page 145 of this Draft Prospectus.

### ***Interest in promotion of our Company***

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### ***Interest in the property, land, construction of building, supply of machinery, etc.***

Except as mentioned in the chapter titled ***“Our Business”*** beginning on page 99 of this Draft Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 2 (two) years before filing of this Draft Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### ***Interest in our Company arising out of being a member of a firm or company***

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

### ***Interest in our Company other than as Promoters***

Except as mentioned in this chapter and chapters titled ***“Our Business”***, ***“History and Certain Other Corporate Matters”***, ***“Our Management”*** and ***“Restated Financial Statements”*** beginning on pages 99, 113, 117 and 145, respectively, our Promoters do not have any other interest in our Company

### ***Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years***

Except as stated above in chapters ***“Financial Statements as Restated”*** beginning on pages 145 respectively of this Draft Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing of this Draft

Prospectus or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

## COMMON PURSUITS OF OUR PROMOTERS

Except as disclosed above, our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company.

## MATERIAL GUARANTEES GIVEN TO THIRD PARTIES

Except as stated in the *“Financial Statements as Restated”* beginning on page 145 of this Draft Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

## SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled *“Capital Structure – Notes to Capital Structure”* beginning on page 59 of this Draft Prospectus.

## LITIGATION INVOLVING OUR PROMOTERS

For details relating to legal proceedings involving the Promoters, please refer *“Outstanding Litigation and Material Developments”* beginning on page 159 of this Draft Prospectus.

## COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus.

Sr. No.	Name of Promoters	Name of Entity	Reason for Disassociation	Date of Disassociation
1.	Mr. Mahendra Ahuja	Nil	Nil	Nil
2.	Ms. Roma Ahuja	Nil	Nil	Nil

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

### A. Natural Persons who form part of our Promoter Group:

Promoter Mr. Mahendra Ahuja		
Relation with Promoter	Father	Mr. Prahalad Rai Ahuja
	Mother	Ms. Sadhana Ahuja
	Spouse	Ms. Roma Ahuja
	Brother(s)	Mr. Amit Ahuja
	Sister(s)	Ms. Anita Anilkumar Harchandani
	Son(s)	Mr. Akshaan Ahuja
	Daughter(s)	Ms. Reet Ahuja
	Spouse's Father	Mr. Anand Kukreja
	Spouse's Mother	Ms. Rekha Kukreja
	Spouse's Brother(s)	Mr. Ajit Kukreja
	Spouse's Sister(s)	Ms. Pooja Kukreja
Promoter Ms. Roma Ahuja		
Relation with Promoter	Father	Mr. Anand Kukreja
	Mother	Ms. Rekha Kukreja
	Spouse	Mr. Mahendra Ahuja
	Brother(s)	Mr. Ajit Kukreja
	Sister(s)	Ms. Pooja Kukreja
	Son(s)	Mr. Akshaan Ahuja
	Daughter(s)	Ms. Reet Ahuja

	Spouse's Father	Mr. Prahalad Rai Ahuja
	Spouse's Mother	Ms. Sadhana Ahuja
	Spouse's Brother(s)	Mr. Amit Ahuja
	Spouse's Sister(s)	Ms. Anita Anilkumar Harchandani

**B. In case promoter is a Body Corporate**

Sr. No.	Nature of Relationship	Name of the Promoter Entities / Company
1.	Subsidiary or holding company of Promoter Company	N.A.
2.	Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	N.A.

**C. In case promoter is an Individual:**

Sr. No.	Nature of Relationship	Entity
1.	Any Body Corporate in which 20% or more of the equity share capital is held by promoters or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relatives is a member.	M Ahuja Project (India) Private Limited
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NIL
3.	Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 20%.	<ul style="list-style-type: none"> <li>Anandmal and Son HUF</li> <li>Ajit Kumar HUF</li> <li>Anandmal Rekhadevi HUF</li> <li>Shree Balaji Developers</li> <li>Super Estate</li> <li>Hotel Ashoka Heritage</li> <li>Only Villas</li> <li>M/s Blue Green Projects</li> <li>Ajit Kukreja HUF</li> <li>Hotel Amit Regency</li> <li>Mars Coloniser Private Limited</li> <li>Mars Realtech (India) Private Limited.</li> </ul>

## **OUR GROUP COMPANIES**

In terms of the SEBI (ICDR) Regulations, the term “group companies”, includes

- i. such companies (other than promoter(s) and subsidiary(ies)) with which the relevant issuer company had related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and
- ii. any other companies considered material by the Board of Directors of the relevant issuer company.

Accordingly, for (i) above, all such companies (other than our Subsidiary) with which there were related party transactions during the periods covered in the Restated Consolidated Financial Statements, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI (ICDR) Regulations. For the purpose of avoidance of doubt and pursuant to regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018 it is clarified that our promoter and Subsidiary will not be considered as Group Companies.

In terms of the SEBI (ICDR) Regulations and in terms of the policy of materiality defined by the Board of Directors pursuant to its resolution dated July 15, 2022 our Group Companies includes:

Those companies disclosed as having related party transactions in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, in the Restated Consolidated Financial Statements of the Company for the last three financial years.

Provided, companies which have been disclosed as related parties in the Restated Consolidated Financial Statements of our Company for the last three financial years, and which are no longer associated with our Company have not been disclosed as Group Companies.

All such companies which the Board has deemed to be material to be considered as Group Companies / Associates Companies.

Based on the above, **M Ahuja Project (India) Private Limited** is our Group Company: -

### **Corporate Information–**

<b>Brief Description of Business</b>	<p>1. To purchase, acquire, contract, develop, sell, take in exchange or on lease, hire or otherwise acquire, whether for investment or sale or working or developing the same, any lands or interest in or with respect to any lands, whether developed or undeveloped, whether agricultural or non-agricultural, whether rural or urban, develop the same and sell, let on hire or lease or otherwise deal in lands and to carry on business of land development, builders, contractors, erection and construction of houses, residential flats, buildings, shopping complexes, roads, colonies, commercial buildings and provide consultancy for development of lands and construction of buildings and to act as promoter builders. To carry on the business of housing.</p> <p>2.To carry on in India or elsewhere the business of manufacturing, producing, altering, converting, processing, treating, improving, manipulating, extruding, milling, slitting, cutting, casting, forging, rolling and re-rolling of all size shapes, size varieties, specification, dimension, description and strength or iron and steel products including bars, rods, structures, profiles, pipes, sheets, castings, wires, rolling matters, girds, channels, angles, rolls, ingots, flats, slaps, for steels, bright bars, shafting, beams, rounds, squares, hexagons, octagons, foils, joints, deformed bars, their products, by-products and other allied materials, goods, articles and things made of all grades of iron and</p>
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	steels including mild steels, carbon steels, stainless steels, electrical steels, alloy steels, special steels, Ms billets, Ms Ingots, Sponge Iron, or any combination thereof with any ferrous or non-ferrous materials and to act as agent, broker, stockiest, trader, buyer, seller, importer, exporter, job worker, incidental to the attainment of the above object.		
	3.To carry on all or any of the business of buildings and contractors, architects, decorators, merchants and dealers in stone, sand, lime, bricks, cement, timber, hardware and other building materials and act as house agents.		
Date of Incorporation	December 19, 2007		
CIN	U45201CT2007PTC020482		
PAN	AAFCM3382D		
Registered Office	SAI KUNJ, Civil Lines, Raipur- 492001, Chhattisgarh, India.		
Board of Directors*	Name of Directors	DIN	
	Mr. Mahendra Ahuja	00247075	
	Ms. Roma Ahuja	00247153	
Audited Financial Information	(₹ In Lakhs, rounded off except per share data)		
	For The Year Ended		
	March 31, 2022	March 31, 2021	March 31, 2020
Reserves and Surplus	597.30	528.14	499.44
Sales	291.41	4,429.93	239.26
Profit / (Loss) after tax	63.76	28.69	(0.63)
Diluted Earnings per share (face value of ₹ 10.00 each) (based on Weighted Average number of Shares)	0.81	0.36	(0.01)
Net asset value per share (Rs) (based on Actual Number of Shares)	17.55	16.68	16.32

\*As on date of this Draft Prospectus

## LITIGATIONS

Except as mentioned in the Chapter **“Outstanding Litigation and Material Developments”** beginning on page 159 of this Draft Prospectus, there are no outstanding litigation involving our Group Companies which may have a material impact on our Company.

## INTEREST OF OUR GROUP COMPANY

### **Interest in the promotion of our Company**

Except as disclosed in this Draft Prospectus, our Group Companies has no interest in the promotion of our Company.

### **Interest in the properties acquired or proposed to be acquired by our Company in the past three years or proposed to be acquired**

Except as mentioned in the chapter titled **“Our Business”** under the heading **“Our Properties”** beginning on page 99 of this Draft Prospectus, Our Group Companies don’t have any interest in the properties acquired or proposed to be acquired by our Company in the three years preceding the filing of Draft Prospectus.

### **Interest in the transactions for acquisition of land, construction of building and supply of machinery**

Our Group Companies are not interested in any transaction for acquisition of land or supply of machinery to our Company.

## **RELATED PARTY TRANSACTIONS BETWEEN OUR COMPANY & GROUP COMPANIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY**

Except as disclosed under the Note *“Related Party Transactions”* beginning on page 143 of this Draft Prospectus, there are no related business transactions of our Company with its Group Companies and significance of the same on the financial performance of our Company.

## **BUSINESS INTERESTS OF GROUP COMPANY IN OUR COMPANY**

Other than as disclosed under the Note *“Related Party Transactions”* beginning on page 143 of this Draft Prospectus, the group companies don’t have any interest in the business of our Company or interest of any other nature as on the date of this Draft Prospectus.

## **PAYMENT OR BENEFIT TO OUR GROUP COMPANIES**

Except as stated under the Note *“Related Party Transactions”* beginning on page 143 of this Draft Prospectus, there has been no payment of benefits to our group companies during the financial year ended on March 31, 2022, March 31, 2021 and March 31, 2020.

## **COMMON PURSUITS**

Except as disclosed in *“Our Business”* and *“Related Party Transactions”* beginning on page 99 and 143, respectively, none of our Group Companies are in the same line of business as our Company and there are no common pursuits between our Group Companies and our Company.



### **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to Annexure- XXV of section titled “**Financial Statements as Restated**” beginning on page 145 of this Draft Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders at the general meeting. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not declared any dividend on the Equity Shares since incorporation.

**SECTION IX: FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS AS RESTATED**

Sr. No.	Particulars	Page No.
1.	Restated Financial Statements	F – 1 to F – 22

**FINANCIAL STATEMENTS AS RESTATED**  
**Independent Auditor's Report for the Restated Consolidated Financial Statements of**  
**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**

**Auditor's Report on the Consolidated Restated Statement of Assets and Liabilities for the financial years ended on March 31, 2022 and 2021, 2020, Consolidated Profit and Loss and Consolidated Cash flow for the financial years ended on March 31, 2022 and 2021, 2020 of REETECH INTERNATIONAL CARGO AND COURIER LIMITED (Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED) (collectively, the "Consolidated Restated Summary Statements")**

To  
The Board of Directors,  
**Reetech International Cargo and Courier Limited**  
"Sai Kunj", Civil Lines, Raipur  
CT - 492001

Dear Sir,

1. We have examined the attached Restated Consolidated Statements of Assets and Liabilities of REETECH INTERNATIONAL CARGO AND COURIER LIMITED (the "Company") along with significant accounting policies and related notes for the financial years ended on March 31, 2022, March 31, 2021, and March 31, 2020, Restated Consolidated Statement of Profit & Loss and Restated Consolidated Statement of Cash Flow for the years ended on March 31, 2022, March 31, 2021, and March 31, 2020 annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the company and approved by the Board of Directors of the company in connection with its proposed Initial Public Offering ("IPO") on the SME Platform of BSE Limited.
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
  - i. Section 26 and 28 of Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - iii. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Reetech International Cargo And Courier Limited, we, Gupta Agarwal & Associates, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
  - iv. The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus/Prospectus being issued by the Company for its proposed IPO of equity shares on BSE SME Platform of BSE Limited ("BSE"); and
  - v. The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Consolidated Financial Statements of the Company for the financial years ended on March 31, 2022, March 31, 2021 and March 31 2020, however statutory audit of Consolidated financial statements for the F.Y.(s) 2020-21 and 2019-20 have not been conducted by the company.
4. We have examined the accompanied 'Restated Consolidated Statement of Profit and Loss' (Annexure – II) for the financial years ended on March 31, 2022 and March 31 2021, and March 31, 2020 and the 'Restated Consolidated

Statement of Assets and Liabilities' (Annexure – I) as on those date, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies (Annexure– IV) thereon, which are the responsibility of the Company's management. The information has been extracted from the consolidated financial statements for the year ended on March 31, 2022, March 31, 2021 and March 31 2020 which have been audited by us and for the Standalone financial statements for the year ended on March 31, 2022 which has been audited by us and for the year ended on March 31, 2021 and March 31 2020 audited by M/s. Agrawal Sunil Kumar & Co., Chartered Accountants, for the respective years and approved by the Board of Directors.

Based on our examination, we further report that:

- a) The Restated Consolidated Statement of Assets and Liabilities as at March 31, 2022, March 31, 2021 and March 31, 2020 examined by us, as set out in Annexure I to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
  - b) The Restated Consolidated Statement of Profit and Loss of the Company for the financial years ended on March 31, 2022, March 31, 2021, and March 31, 2020 examined by us, as set out in Annexure II to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
  - c) The Restated Consolidated Statement of Cash Flows of the Company for the financial years ended on March 31, 2022, March 31, 2021, and March 31, 2020 examined by us, as set out in Annexure III to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
  - d) The Restated Consolidated Financial Statements have been made after incorporating adjustments for:
    - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
    - ii. Prior period and other material amounts in the respective financial years to which they relate.
  - e) There were no qualifications in the Audit Reports issued by Statutory Auditor(s) for the financial years ended on March 31, 2022, March 31, 2021 and March 31, 2020 which would require adjustments in this Restated Financial Statements of the Company.
5. We have also examined the following Financial Information relating to the Company, which is based on the Restated Consolidated Financial Statements and approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer Document: We have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
- Statement of Share Capital, as restated (Annexure - V)
  - Statement of Reserves & Surplus, as restated (Annexure - VI)
  - Statement of Long-Term Borrowing, as restated (Annexure - VII)
  - Statement of Trade Payables, as restated (Annexure- VIII)
  - Statement of Other Current Liabilities, as restated (Annexure- IX)
  - Statement of Short-Term Provision, as restated (Annexure- X)
  - Statement of Non-Current Investments, as restated (Annexure- XI)
  - Statement of Long-term Loans & Advances, as restated (Annexure- XII)
  - Statement of Inventories, as restated (Annexure- XIII)
  - Statement of Trade Receivables, as restated (Annexure- XIV)
  - Statement of Cash and Cash Equivalents, as restated (Annexure - XV)
  - Statement of Short-Term Loans and Advances, as restated (Annexure – XVI)
  - Statement of Other Current Assets, as restated (Annexure - XVII)
  - Statement of Revenue from Operations, as restated (Annexure – XVIII)
  - Statement of Other Income, as restated (Annexure – XIX)

- Statement of Purchase of Stock-in-trade, as restated (Annexure – XX)
  - Statement of Changes in Inventories, as restated (Annexure – XXI)
  - Statement of Employee Benefit Expenses, as restated (Annexure – XXII)
  - Statement of Finance Cost, as restated (Annexure – XXIII)
  - Statement of Other Expense, as restated (Annexure – XXIV)
  - Statement of Related Party Transactions, as restated (Annexure – XXV)
  - Statement of Reconciliation of Restated profit after tax, Restated Equity/Net Worth, as restated (Annexure – XXVI)
  - Statement of Capitalization, as restated (Annexure – XXVII)
  - Statement of Other Financial Information as restated (Annexure – XXVIII)
  - Statement of Tax Shelter, as restated (Annexure – XXIX)
  - Statement of Contingent Liabilities, as restated (Annexure – XXX)
  - Statement of Accounting Ratio, as restated (Annexure – XXXI)
6. In our opinion, the Restated Consolidated Financial Statements and the other Financial Information set forth in Annexure I to XXXI read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 and 28 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).
7. Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.
8. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Gupta Agarwal & Associates**  
**Chartered Accountants**  
**Firm's Registration No. 329001E**

Sd/-

**Jay Shanker Gupta**  
**Partner**  
**Membership No. 059535**  
**UDIN: 22059535APDSFA3898**

**Date: 13<sup>th</sup> August, 2022**  
**Place: Kolkata**



**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**  
**CIN: U51100CT2008PLC020983**

**RESTATED CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES**

(Rs. in Lakhs)

Particulars		Note No.	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
<b>I. EQUITY AND LIABILITIES</b>					
<b>1 Shareholders' Funds</b>					
(a) Share Capital		2	51.85	51.85	51.85
(b) Reserves and Surplus		3	749.21	313.74	273.21
<b>2 Non-Current liabilities</b>					
(a) Long-term Borrowings		4	-	45.61	55.22
<b>3 Current Liabilities</b>					
(a) Trade Payables		5			
i) Total Outstanding dues of Micro and Small Enterprises			-	-	-
ii) Total Outstanding dues of Trade Payables Other than Micro and Small Enterprises			148.05	62.51	-
(b) Other Current Liabilities		6	732.10	404.06	10.98
(c) Short-term Provisions		7	46.30	0.00	4.91
<b>TOTAL</b>			<b>1,727.52</b>	<b>877.78</b>	<b>396.17</b>
<b>II. ASSETS</b>					
<b>1 Non-current Assets</b>					
(a) Property, Plant & Equipment & Intangible Assets					
(i) Property, Plant & Equipment			-	-	-
(ii) Capital Work-in-progress			-	-	-
(iii) Intangible Assets			-	-	-
(b) Non- Current Investments		8	414.32	391.14	380.70
(c) Long Term Loans & Advances		9	343.16	-	-
<b>2 Current Assets</b>					
(a) Inventories		10	189.16	79.01	-
(b) Trade Receivables		11	174.32	148.64	-
(c) Cash and Cash Equivalents		12	1.02	60.32	0.31
(d) Short Term Loans & Advances		13	600.00	183.57	15.16
(e) Other Current Assets		14	5.54	15.10	-
<b>TOTAL</b>			<b>1,727.52</b>	<b>877.78</b>	<b>396.17</b>

The accompanying notes 1.1 - 1.24 are integral part of financial statements

As per our report of even date

**For. GUPTA AGARWAL & ASSOCIATES**

*Chartered Accountants*

FRN: 329001E

Sd/-

**JAY SHANKER GUPTA**

*(Partner)*

Membership No. 059535

Place: Kolkata

Date: 13th August, 2022

**For & on Behalf of Board of Directors**

Sd/-

**MAHENDRA AHUJA**

**Director**

DIN - 00247075

Sd/-

**CHHAYA VERMA**

**Company Secretary**

Sd/-

**ROMA AHUJA**

**Director**

DIN - 00247153

Sd/-

**SHAKTI SINHA**

**CFO**

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**

**CIN: U51100CT2008PLC020983**

**RESTATED CONSOLIDATED STATEMENT OF PROFIT & LOSS**

**(Rs. in Lakhs)**

Particulars	Note No.	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Revenue from operations	15	11,373.97	1,840.26	-
Other income	16	315.13	2.15	18.99
<b>Total Income</b>		<b>11,689.10</b>	<b>1,842.41</b>	<b>18.99</b>
<b>Expenses:</b>				
Purchase of Stock-in-trade	17	11,103.65	1,876.66	-
Changes in Inventories	18	(110.15)	(79.01)	-
Employee Benefit Expenses	19	25.59	-	-
Finance Cost	20	0.09	0.19	0.00
Depreciation and Amortization Expenses		-	-	-
Other Expenses	21	82.49	4.06	0.10
<b>Total Expenses</b>		<b>11,101.66</b>	<b>1,801.91</b>	<b>0.10</b>
<b>Profit before Exceptional Items</b>		<b>587.44</b>	<b>40.51</b>	<b>18.89</b>
<b>Exceptional Items</b>				
CSR Provision		4.31	-	-
<b>Profit/(Loss) before Tax</b>		<b>583.13</b>	<b>40.51</b>	<b>18.89</b>
<b>Tax Expenses:</b>				
Current Tax		165.84	10.41	4.91
Income Tax for earlier years		-	-	-
Deferred Tax		-	-	-
<b>Profit/(Loss) for the year</b>		<b>417.29</b>	<b>30.10</b>	<b>13.98</b>
Add: Share of Profit/(Loss) of Associates		23.18	10.43	(0.22)
<b>Profit/(Loss) for the year</b>		<b>440.47</b>	<b>40.53</b>	<b>13.75</b>
<b>Earnings per equity share:</b>				
Basic (in Rs.)		11.50	0.83	0.39
Diluted (in Rs.)		11.50	0.83	0.39

The accompanying notes 1.1 - 1.24 are integral part of financial statements  
As per our report of even date

**For. GUPTA AGARWAL & ASSOCIATES**

*Chartered Accountants*

FRN: 329001E

Sd/-

**JAY SHANKER GUPTA**

*(Partner)*

Membership No. 059535

Place: Kolkata

Date: 13th August, 2022

**For & on Behalf of Board of Directors**

Sd/-

**MAHENDRA AHUJA**

**Director**

**DIN - 00247075**

Sd/-

**CHHAYA VERMA**

**Company Secretary**

Sd/-

**ROMA AHUJA**

**Director**

**DIN - 00247153**

Sd/-

**SHAKTI SINHA**

**CFO**

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**  
**CIN: U51100CT2008PLC020983**

**RESTATED CONSOLIDATED CASH FLOW STATEMENT**

(Rs. in Lakhs)

Particulars		For the Year ended 31st March, 2022	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
	Net Profit before tax	583.13	40.51	18.89
	Finance Cost	0.09	0.19	0.00
	CSR Provision	4.31	-	-
	Interest Income	(0.05)	(0.13)	-
	<b>Operating Profit before Working Capital Changes</b>	<b>587.48</b>	<b>40.57</b>	<b>18.89</b>
	<b>Adjusted for:</b>			
	Inventories	(110.15)	(79.01)	-
	Trade receivables	(25.68)	(148.64)	-
	Short Term Loans & Advances	(416.43)	(168.41)	(15.16)
	Other Current Assets	(114.28)	(30.43)	3.36
	Trade Payable	85.54	62.51	-
	Other Current Liabilities	328.04	393.08	10.10
	<b>Cash Generated From Operations</b>	<b>334.51</b>	<b>69.68</b>	<b>17.20</b>
	Payment of Income Tax (Net of Refund)	-	-	-
	<b>Net cash generated/ (used in) from operating activities</b>	<b>334.51</b>	<b>69.68</b>	<b>17.20</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>			
	Purchase of Investment	-	0.00	(15.00)
	Long term loans & Advances	(343.16)	-	26.79
	Interest Income	0.05	0.13	-
	<b>Net Cash used in Investing Activities (B)</b>	<b>(343.11)</b>	<b>0.13</b>	<b>11.79</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>			
	Issue expenses	(5.00)	-	-
	Finance Cost	(0.09)	(0.19)	(0.00)
	Movement of Long Term Borrowings	(45.61)	(9.61)	(28.99)
	<b>Net Cash used in Financing Activities (C)</b>	<b>(50.70)</b>	<b>(9.80)</b>	<b>(28.99)</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(59.30)</b>	<b>60.00</b>	<b>(0.00)</b>
	<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>60.32</b>	<b>0.31</b>	<b>0.32</b>
	<b>Cash and Cash Equivalents at the end of the year</b>	<b>1.02</b>	<b>60.32</b>	<b>0.31</b>

Note :-

1. Components of Cash & Cash Equivalent

Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
a. Balances with banks			
- Current Accounts	0.03	53.89	0.05
- FD Accounts	-	6.00	-
b. Cash in hand (As certified by the management)	0.99	0.44	0.27
<b>Total</b>	<b>1.02</b>	<b>60.32</b>	<b>0.31</b>

2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.

3. Figures in Brackets represents outflow.

The accompanying notes 1.1 - 1.24 are integral part of financial statements

As per our report of even date

For & on Behalf of Board of Directors

For. GUPTA AGARWAL & ASSOCIATES

Chartered Accountants

FRN: 329001E

Sd/-

JAY SHANKER GUPTA

(Partner)

Membership No. 059535

Place: Kolkata

Date: 13th August, 2022

Sd/-

MAHENDRA AHUJA

Director

DIN - 00247075

Sd/-

CHHAYA VERMA

Company Secretary

Sd/-

ROMA AHUJA

Director

DIN - 00247153

Sd/-

SHAKTI SINHA

CFO

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**  
**CIN: U51100CT2008PLC020983**

**CORPORATE INFORMATION**

The Company was originally incorporated on December 18, 2008 as a Private Limited Company in the name of "M R Agriculture Private Limited" vide Registration No. 020983 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh and Chhattisgarh. Further, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on June 15, 2020 name of our Company was changed to "Reetech International Cargo and Courier Private Limited" and a Fresh Certificate of Incorporation was issued by Registrar of Companies, Chhattisgarh. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on February 15, 2022 our Company was converted from a Private Limited Company to Public Limited Company and the name of our Company was changed to "Reetech International Cargo and Courier Limited" and a Fresh Certificate of Incorporation consequent to Conversion was issued on April 12, 2022 by the Registrar of Companies, Chhattisgarh bearing Corporate Identification Number U51100CT2008PLC020983.

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

- (a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.
- (b) The financial statements are prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Companies Act, 2013.
- (c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.
- (d) The company holds 36.36% equity shares of M/s. M AHUJA PROJECT (INDIA) PRIVATE LIMITED, hence Restated Consolidated Financial statements has been prepared in accordance with Accounting Standard-23 on the basis of Audited Consolidated financial statements of the company, however statutory audit of Consolidated financial statements for the F.Y. 2020-21 and 2019-20 have not been conducted by the company.

**1.2 Revenue Recognition**

- (a) The company generally follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.
- (b) Sales are recognized on accrual basis, and only after transfer of goods or services to the customer, Sales are recognized at the time of passage of the title that generally coincides with their delivery. Sales are net of GST and Trade discounts.
- (c) Dividend on Investments are recognized on receipt basis.
- (d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**1.3 Property, Plant & Equipment and Intangible Assets & Depreciation**

- (a) Fixed Assets are stated at Cost less accumulated depreciation. The Company has capitalized all cost relating to the acquisition and installation of Fixed Assets.
- (b) Depreciation is provided on Fixed Assets on Written down value Method on the basis of Useful Life as prescribed under Part C of Schedule - II of the Companies Act, 2013.
- (c) Cost of the fixed assets not ready for their intended use at the Balance Sheet date together with all related expenses are shown as Capital Work-in-Progress.
- (d) There are no Intangible Assets in the company.

**1.4 Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

**1.5 Investments**

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

**1.6 Inventories**

Inventories consisting of Traded goods and are valued at lower of cost and net realizable value in accordance with Accounting Standard- 2.. Cost of inventories comprises of material cost on FIFO basis and expenses incurred in bringing the inventories to their present location and condition.

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**  
**CIN: U51100CT2008PLC020983**

**1.7 Employee Benefits**

Leave encashment to the employees are accounted for as & when the same is claimed by eligible employees.

**1.8 Borrowing Costs**

(a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

**1.9 Taxes on Income**

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

**1.10 Earnings per Share (EPS)**

(a) 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.

(b) 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.

**1.11 Prior Period Items**

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements.

**1.12 Provisions / Contingencies**

(a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

(b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

(c) A Contingent Asset is not recognized in the Accounts.

**1.13 Segment Reporting**

**A. Business Segments:**

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment, which is Construction contract and Works contract. Accordingly, the figures appearing in these financial statements relate to the Company's single Business Segment.

**B. Geographical Segments:**

The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**  
**CIN: U51100CT2008PLC020983**

**ADDITIONAL NOTES TO RESTATED FINANCIAL INFORMATION**

**NOTE 1.14- DEFERRED TAX**

(Rs. in Lakhs)			
Particulars	2021-2022	2020-2021	2019-2020
Depreciation as per Companies Act, 2013	-	-	-
Depreciation as per Income Tax Act, 1961	-	-	-
Provision for Gratuity	-	-	-
<b>Differential Net Timing Difference [A]</b>	0.00	0.00	0.00
Substantively Enacted Tax Rate [B]	27.82%	26.00%	26.00%
<b>Deferred Taxes (Debited) / Credited to the Statement of Profit &amp; Loss</b>	-	0.00	-
Opening Net Deferred Tax Asset/(Liability)	0.00	-	-
<b>Closing DTA/(DTL)</b>	-	-	-

**NOTE 1.15 - BASIC AND DILUTED EARNINGS PER SHARE**

Particulars		2021-2022	2020-2021	2019-2020
Profit after Tax	Rs. In Lakhs	417.29	30.10	13.98
Present Number of equity shares of Rs. 10/- each	Nos.	518,500	518,500	518,500
Weighted average number of Equity shares	Nos.	518500	518,500	518,500
Basic earnings per share	Rupees	80.48	5.81	2.70
Diluted Earning per Share	Rupees	80.48	5.81	2.70

**NOTE 1.16 - Earning and Expenditure in Foreign currency**

Earnings in Foreign Currency - Nil. (Previous year Nil)  
 Expenditure in Foreign Currency - Nil (Previous Yea- NIL)

**NOTE 1.17 - Contingent Liabilities not provided for**

The company does not have any Contingent liability that need to disclosed in the notes on accounts

**NOTE 1.18-**

Medium Enterprises Development Act, 2006 and hence disclosures has been made only for the parties from whom the declaration has been received. In respect of other vendors from whom declaration has not been received disclosure has not been made for those which have not been received disclosure has not been made.

**NOTE 1.19** - Party's Balance with respect to the Trade Receivables, Trade & Other Payables, Loans & advances are subject to confirmation/reconciliation. In the opinion of management, the same are receivable/ payable as stated in the books of accounts. Hence, no effect on the profitability due to the same for the year under review.

**NOTE 1.20** - Previous year's figure have been regrouped/rearranged whenever necessary to conform to the current year's presentation.

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)  
CIN: U51100CT2008PLC020983

**NOTES TO RESTATED CONSOLIDATED FINANCIAL INFORMATION**

Annexure - V

**NOTE 2**

**SHARE CAPITAL**

Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
<b>Authorised</b>			
1000000 Equity Shares of Rs.10/- each	100.00	100.00	500.00
<b>Issued, Subscribed &amp; Fully Paid-up</b>			
518500 Equity Shares of Rs.10/- each fully paidup	51.85	51.85	51.85
<b>Total</b>	<b>51.85</b>	<b>51.85</b>	<b>51.85</b>

**NOTE 2A : Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Shares outstanding at the beginning of the year	518,500	518,500	518,500
Shares Issued during the year	-	-	-
Additional shares after splitting during the year	-	-	-
Shares outstanding at the end of the year	<b>518,500</b>	<b>518,500</b>	<b>518,500</b>

**NOTE 2B: Term/rights attached to equity shares:**

The company increased it's Authorised equity share capital from 1000000 equity shares to 6000000 equity shares of Rs. 10/- each vide resolution passed in its members meeting dated 18th June, 2022.

The company has issued 31,11,000 bonus equity shares in the proportion of 6:1 (6 (Six) fully paid equity shares of Rs. 10/- each allotted against 1 (One) equity share of Rs. 10/- each) vide resolution passed in members meeting dated 1st August, 2022 and allotted on 8th August, 2022, effect of this bonus issue has been considered to calculate EPS.

The Company has only one class of equity shares having a par value of Rs 10 per share. Holder of each equity share is entitled to one vote. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the number of equity shares held by the shareholders.

**NOTE 2C : Shares held by promoters at the end of the period**

Sl. No.	Promoter Name	% of total shares	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020	% Change during the period
			No. of Shares	No. of Shares	No. of Shares	
1	Mahendra Ahuja	42.52%	220,450	220,500	220,500	-0.02%
2	Roma Ahuja	57.47%	298,000	45,000	45,000	562.22%
	<b>Total</b>	<b>99.99%</b>	<b>518,450</b>	<b>265,500</b>	<b>265,500</b>	

**NOTE 2D : The details of Shareholders holding more than 5% shares:**

SLNo	Name of Shareholder	% of Holding	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
			No. of Shares held	No. of Shares held	No. of Shares held
1	Mahendra Ahuja	42.52%	220,450	220,500	220,500
2	Roma Ahuja	57.47%	298,000	45,000	45,000
3	Jitendra Nebhani	0.00%	10	126,500	126,500
7	Vijay Kumar Khilani	0.00%	10	126,500	126,500

**NOTE 2E : Holding Company**

<b>Name of Company :</b>	Not applicable
<b>No. of Shares held :</b>	-
<b>% of Holding :</b>	-

**NOTE 3**

**RESERVE & SURPLUS**

Annexure - VI

(Rs. In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
<b>a. Securities Premium Reserve</b>			
Opening Balance	250.65	250.65	250.65
Add : Securities premium credited on Share issue	-	-	-
<b>Closing Balance</b>	<b>250.65</b>	<b>250.65</b>	<b>250.65</b>
<b>b. Surplus/(Deficit) in Statement of Profit &amp; Loss</b>			
Opening balance	63.09	22.56	(35.12)
Add/(Less): Net Profit/(Net Loss) for the current year	440.47	40.53	13.75
Add : Adjustment of share Profit/(Loss) of Associate for Earlier years upto 31.03.2019	-	-	43.92
Less: Issue expenses	5.00	-	-
<b>Closing Balance</b>	<b>498.56</b>	<b>63.09</b>	<b>22.56</b>
<b>Total</b>	<b>749.21</b>	<b>313.74</b>	<b>273.21</b>



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<b>NOTE 4</b>					
<b>LONG TERM BORROWINGS</b>					
Annexure - VII (Rs. In Lakhs)					
<b>Particulars</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>		
<b>(i) SECURED LOANS</b>					
Term Loan from Bank	-	-	-		
	-	-	-		
<b>(ii) UNSECURED LOANS</b>					
<b>From Bank or Financial Institution</b>			-		
<b>From Related parties</b>					
M Ahuja Projects India Pvt. Ltd.	-	45.61	55.22		
	-	-	-		
<b>From Other parties</b>					
<b>Total (i)+(ii)</b>	-	45.61	55.22		
<b>(iii) Less: Current Maturities of Long Term Debts</b>	-	-	-		
<b>Total (i) + (ii) - (iii)</b>	-	45.61	55.22		
<b>NOTE 5</b>					
<b>TRADE PAYABLES</b>					
Annexure - VIII (Rs. In Lakhs)					
<b>Particulars</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>		
Micro, Small and Medium Enterprise	-	-	-		
From Others	148.05	62.51	-		
<b>Total</b>	<b>148.05</b>	<b>62.51</b>	<b>-</b>		
Notes: Balances of Trade payables are subjected to balance confirmations					
<b>Ageing Schedule of Trade Payable</b>					
<b>MSME Creditors</b>	<b>Less than 1 year</b>	<b>1-2 yrs</b>	<b>2-3 yrs</b>	<b>More Than 3 yrs</b>	<b>Total</b>
As at 31.03.2022	-	-	-	-	-
As at 31.03.2021	-	-	-	-	-
As at 31.03.2020	-	-	-	-	-
<b>Ageing Schedule of Trade Payable</b>					
<b>Other than MSME Creditors</b>	<b>Less than 1 year</b>	<b>1-2 yrs</b>	<b>2-3 yrs</b>	<b>More Than 3 yrs</b>	<b>Total</b>
As at 31.03.2022	147.52	0.53	-	-	148.05
As at 31.03.2021	62.51	-	-	-	62.51
As at 31.03.2020	-	-	-	-	-
<b>NOTE 6</b>					
<b>OTHER CURRENT LIABILITIES</b>					
Annexure - IX (Rs. In Lakhs)					
<b>Particulars</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>		
Statutory Dues	66.55	10.37	-		
<b>Other Advances</b>					
From Related Parties	-	-	-		
From Others	-	-	-		
Rise High Tracom Ltd.		10.00	10.00		
Advance from Customers	661.23	382.21	-		
Audit fees Payable	1.62	1.48	0.98		
Electricity Payable	0.23	-	-		
Salary Payable	2.47	-	-		
Other current liabilities	-	0.01	-		
<b>Total</b>	<b>732.10</b>	<b>404.06</b>	<b>10.98</b>		
<b>NOTE 7</b>					
<b>SHORT TERM PROVISIONS</b>					
Annexure - X (Rs. In Lakhs)					
<b>Particulars</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>		
Provision for Income Tax (Net off TDS & TCS)	41.99	0.00	4.91		
Provision for CSR	4.31	-	-		
<b>Total</b>	<b>46.30</b>	<b>0.00</b>	<b>4.91</b>		
<b>NOTE 8</b>					
<b>NON CURRENT INVESTMENTS</b>					
Annexure - XI (Rs. In Lakhs)					
<b>Particulars</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>		
<b>(a) In Property</b>					
<b>(b) In Unquoted equity shares</b>					
Investment in M Ahuja Projects India Pvt. Ltd. (2875402 equity shares)	391.14	380.70	322.00		
Add: Additions during the years	-	-	15.00		
Add : Adjustment of share Profit/(Loss) of Associate for Earlier years upto 31.03.2019	-	-	43.92		
Add: Share of Profit/(Loss) of Associates	23.18	10.43	(0.22)		
<b>(c) Others</b>					
<b>Total</b>	<b>414.32</b>	<b>391.14</b>	<b>380.70</b>		



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<b>NOTE 15</b>			
<b>REVENUE FROM OPERATIONS</b>			Annexure - XVIII (Rs. In Lakhs)
Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>Sale of Goods</b>			
Coal Sales Interstate	5,459.19	1,243.17	-
Coal Sales Intarstate	5,891.53	597.09	-
Silico Manganese sales Local	23.25		
<b>Other Operating Revenue</b>			
	-	-	-
<b>Total</b>	<b>11,373.97</b>	<b>1,840.26</b>	<b>-</b>
<b>NOTE 16</b>			
<b>OTHER INCOME</b>			Annexure - XIX (Rs. In Lakhs)
Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>Recurring &amp; Not Related to Business</b>			
Interest on Fixed deposit	0.05	0.13	-
<b>Recurring &amp; Related to Business</b>			
Interest on Delayed Payment	0.38	1.65	-
Plot Rent	2.05	0.37	-
Handling & Distribution Services	299.92		-
Commission on sales	1.74		-
<b>Non- Recurring &amp; Not Related to Business</b>			
Sundry balances w/off	10.98	-	18.99
Miscellaneous Income	0.00	-	-
Rounding off	0.00	0.00	-
<b>Total</b>	<b>315.13</b>	<b>2.15</b>	<b>18.99</b>
<b>NOTE 17</b>			
<b>PURCHASE OF STOCK-IN-TRADE</b>			Annexure - XX (Rs. In Lakhs)
Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Coal Purchase Interstate	9,922.55	1,437.09	-
Coal Purchase Intarstate	812.19	391.82	-
Silico Manganese Trading Purchase	24.25	-	-
Coal Handling and Distribution Services	311.20	41.28	-
Transportaion Services	33.46	6.47	-
<b>Total</b>	<b>11,103.65</b>	<b>1,876.66</b>	<b>-</b>
<b>NOTE 18</b>			
<b>CHANGES IN INVENTORIES</b>			Annexure - XXI (Rs. In Lakhs)
Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Opening Stock of Traded Goods	79.01	-	-
	79.01	-	-
Less: Closing Stock of Traded Goods	189.16	79.01	-
<b>Total</b>	<b>(110.15)</b>	<b>(79.01)</b>	<b>-</b>
<b>NOTE 19</b>			
<b>EMPLOYEES BENEFITS EXPENSE</b>			Annexure - XXII (Rs. In Lakhs)
Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Salaries & Wages	12.99	-	-
Directors Remuneration	12.60	-	-
<b>Total</b>	<b>25.59</b>	<b>-</b>	<b>-</b>
<b>NOTE 20</b>			
<b>FINANCE COST</b>			Annexure - XXIII (Rs. In Lakhs)
Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Interest On Overdraft Fund	0.05	0.13	-
Bank Charges	0.03	0.06	0.00
<b>Total</b>	<b>0.09</b>	<b>0.19</b>	<b>0.00</b>

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<b>NOTE 21</b>			
<b>OTHER EXPENSES</b>			
Annexure - XXIV (Rs. In Lakhs)			
<b>Particulars</b>	<b>For the year ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>	<b>For the year ended 31.03.2020</b>
Audit & Legal Fees	1.25	0.50	0.10
Plot Rent	1.26	0.34	-
GST Expenses	0.00	0.00	-
Interest and Penalties on Statutory dues	8.69	0.62	-
Office Expenses	12.52	1.40	-
Tour & Travelling Expenses	-	0.02	-
Commission and Brokerage on Coal	46.71	0.98	-
Marketing & Promotion Exp.	7.88	-	-
ROC Fees Expenses	-	0.19	-
Bad Debts	3.36	-	-
Advertisement expenses	0.03	-	-
Domain Registration Charges	0.02	-	-
Miscl. Expenses	0.78	-	-
<b>Total</b>	<b>82.49</b>	<b>4.06</b>	<b>0.10</b>
<b>*Details of Payment to Auditors</b>			
(Rs. In Lakhs)			
<b>Particulars</b>	<b>For the year ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>	<b>For the year ended 31.03.2020</b>
Payments to the auditor	1.25	0.50	0.10
For Statutory Audit & Tax Audit	-	-	-
<b>Total</b>	<b>1.25</b>	<b>0.50</b>	<b>0.10</b>

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**STATEMENT OF RELATED PARTY TRANSACTIONS**

Annexure - XXV

**NOTE 1.21 : Related Party Disclosures**

**A. List of Related parties**

<u>Sl. No.</u>	<u>Name</u>	<u>Relation</u>
<b><u>Key Managerial Personnel</u></b>		
1	Mr. Mahendra Ahuja	Promoter & Managing Director
2	Mr. Roma Ahuja	Promoter Director
3	Mr. Vijay Kumar Khilnani	Non Executive Director
4	Mr. Manish Kumar	Non Executive Independent Director
5	Mr. Mukesh Chandwani	Non Executive Independent Director
6	Chhaya Verma	Company Secretary
7	Mr. Shakti Sinha	CFO
<b><u>Relative of Key Managerial Personnel</u></b>		
8	Mrs. Anita Harchandani	Sister of Mr. Mahendra Ahuja
<b><u>Enterprises having Significant Influence</u></b>		
9	Blue Green Realities Pvt Ltd.	Pvt Ltd company in which director and his relative together are directors
10	M Ahuja Projects (India) Pvt. Ltd.	Associate Company
11	Shree Prahalad Ahuja Foundation	Registered Trust where director is a trustee

(Rs. in Lakhs)

<b>AS ON 31.03.2022</b>				
<b>A. Transactions with Related Parties during the period</b>		<b>Director</b>	<b>Relative of KMP</b>	<b>Enterprises having Significant Influence</b>
<b>Nature of Transactions</b>				
Salary Paid		18.68	2.00	-
Loan Taken (Interest free)		61.05		1,498.54
Loan Taken Refunded		61.06		1,887.30
Loan Given (Interest free)		70.85		4.00
Loan refund received		75.48		-
Rent Paid		1.05		-
Office Expenses		0.69	-	-
<b>B. Outstanding Balances</b>		<b>Director</b>	<b>Relative of KMP</b>	<b>Enterprises having Significant Influence</b>
<b>Nature of Transactions</b>				
Advance given (Interest free)		-	-	347.16
<b>AS ON 31.03.2021</b>				
<b>A. Transactions with Related Parties during the year</b>		<b>Director</b>	<b>Relative of KMP</b>	<b>Enterprises having Significant Influence</b>
<b>Nature of Transactions</b>				
Loan Taken (Interest free)		-	-	217.11
Loan Taken Refunded		-	-	226.72
Loan Given (Interest free)		4.33	-	-
Loan refund received		11.00	-	-
Rent Paid		0.40	-	-
Sale		-	-	1.94
<b>B. Outstanding Balances</b>		<b>Director</b>	<b>Relative of KMP</b>	<b>Enterprises having Significant Influence</b>
<b>Nature of Transactions</b>				
Loan Taken		0.01	-	45.61
Loan Given		4.63	-	3.36
<b>AS ON 31.03.2020</b>				
<b>A. Transactions with Related Parties during the year</b>		<b>Director</b>	<b>Relative of KMP</b>	<b>Enterprises having Significant Influence</b>
<b>Nature of Transactions</b>				
Loan refund received		2.00	-	-
Balances Written off		-	-	18.99
<b>B. Outstanding Balances</b>		<b>Director</b>	<b>Relative of KMP</b>	<b>Enterprises having Significant Influence</b>
<b>Nature of Transactions</b>				
Advance taken (Interest free)		-	-	55.22
Advance given (Interest free)		11.69	-	3.36

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Annexure - XXVI

**Restated Statement of Adjustments to Audited Financial Statements**

(Rs. in Lakhs)

**(i) Reconciliation of Restated Profit:**

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company

Particulars	For the year ended 31st March'22	For the year ended 31st March'21	For the year ended 31st March'20
Profit after tax as per audited/ re-audited financial statements	443.77	50.94	(0.33)
(i) Adjustments on account of change in accounting policies:	-	-	-
(ii) Other material adjustments:	-	-	-
Written off of Sundry balances	(18.99)	-	18.99
Income tax adjustments	15.69	(10.41)	(4.91)
(iii) Audit Qualifications:	-	-	-
<b>Restated profit after tax</b>	<b>440.47</b>	<b>40.53</b>	<b>13.75</b>

**Notes:-** Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

**Adjustments having impact on Profit:**

**Explanatory Notes regarding Adjustments:**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.

**(ii) Reconciliation of Restated Shareholders Funds:**

The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company.

Particulars	As at 31st March'22	As at 31st March'21	As at 31st March'20
Shareholder's funds as per Audited/ Re-audited financial statements	800.69	361.92	310.98
(i) Adjustments on account of change in accounting policies:	-	-	-
(ii) Differences carried over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	3.67	14.08	-
(iii) Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	(3.30)	(10.41)	14.08
(iv) Other material adjustments # :	-	-	-
(v) Audit Qualifications:	-	-	-
<b>Restated Shareholder's funds</b>	<b>801.06</b>	<b>365.59</b>	<b>325.06</b>

**Note:** Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

**Adjustments having impact on Profit:**

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserves & Surplus due to the restated effect on the Profit/ (Loss) of prior period.

**Explanatory Notes regarding Adjustments:**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.

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Annexure XXVII		
STATEMENT OF CAPITALISATION		
(Rs. in Lakhs)		
PARTICULARS	Pre-Offer 31.03.2022	Post-Offer
<b>Debt</b>		
- Short Term Debt	-	-
- Long Term Debt	-	-
<b>Total Debt</b>	-	-
<b>Shareholders' Fund (Equity)</b>		
- Share Capital	51.85	-
- Reserves & Surplus	749.21	-
<b>Total Shareholders' Fund (Equity)</b>	<b>801.06</b>	-
<b>Long Term Debt / Equity (In Ratio)</b>	-	-
<b>Total Debt / Equity (In Ratio)</b>	-	-
<b>Notes:-</b>		
1. Short Term Debts represent which are expected to be paid/payable within 12 months and include installments of Term Loans repayable within 12 months.		
2. Long Term Debts represent debts other than Short Term Debts as defined above .		
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2022		
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.		



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Annexure XXVIII			
OTHER FINANCIAL INFORMATION			
(Rs. in Lakhs)			
Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Net Worth (A)	801.06	365.59	325.06
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	583.22	40.70	18.89
Restated Profit after tax	417.29	30.10	13.98
Add: Prior Period Item	-	-	-
Adjusted Profit after Tax(B)	417.29	30.10	13.98
Number of Equity Share outstanding as on the End of Year / Period (C)	518,500	518,500	518,500
Weighted average no of Equity shares as on the end of the period year(D)			
- Before bonus (D(i))	518,500	518,500	518,500
- After bonus (D(ii))	3,629,500	3,629,500	3,629,500
Face Value per Share	10.00	10.00	10.00
Restated Basic & Diluted Earnings Per Share (Rs.) (B/D)			
- After bonus (B/D(ii))	11.50	0.83	0.39
Return on Net worth (%) (B/A)	52.09%	8.23%	4.30%
Net asset value per share (A/D.1(i)) (Before bonus)	154.50	70.51	62.69
Net asset value per share (A/D.1(ii)) (After bonus)	22.07	10.07	8.96

**Notes:-**

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

Restated Profit after Tax available to equity shareholders

Weighted average number of equity shares outstanding at the  
end of the year / period

(ii) Net Asset Value (NAV) per Equity Share

Restated Net Worth of Equity Share Holders

Number of equity shares outstanding at the  
end of the year / period

(iii) Return on Net worth (%)

Restated Profit after Tax available to equity shareholders

Restated Net Worth of Equity Share Holders

2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses. Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.

5. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

6. The company has issued 31,11,000 bonus equity shares in the proportion of 6:1 (6 (Six) fully paid equity shares of Rs. 10/- each allotted against 1 (One) equity share of Rs. 10/- each) vide resolution passed in members meeting dated 1st August, 2022 and allotted on 8th August, 2022, effect of this bonus issue has been considered to calculate EPS.

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**  
**CIN: U51100CT2008PLC020983**

Annexure XXIX			
RESTATED STATEMENT OF TAX SHELTER			
(Rs. in Lakhs)			
Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Net Profit/(Loss) before taxes (A)	583.13	40.51	18.89
Tax Rate Applicable %	27.82%	26.00%	26.00%
Minimum Alternate Taxes (MAT)	15.60%	15.60%	15.60%
<b>Adjustments</b>			
Add: Disallowance under Income Tax Act, 1961	13.00	-	-
Less: B/F business loss	-	0.48	-
<b>Net Adjustments(B)</b>	<b>13.00</b>	<b>(0.48)</b>	<b>-</b>
<b>Business Income (A+B)</b>	<b>596.13</b>	<b>40.03</b>	<b>18.89</b>
Gross Total/ Taxable Income	596.13	40.03	18.89
Less: Deductions U/S 80			-
<b>Net Total/ Taxable Income</b>	<b>596.13</b>	<b>40.03</b>	<b>18.89</b>
Unabsorbed Depreciation	-	-	-
Tax Payable as per Normal Rate	165.84	10.41	4.91
Tax Payable as per Special Rate:	-	-	-
Interest payable on above	-	-	-
<b>Tax as per Income Tax (C)</b>	<b>165.84</b>	<b>10.41</b>	<b>4.91</b>
Adjusted Book Profits for Computation of MAT U/s 115JB	583.13	40.51	18.89
Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961	90.97	6.32	2.95
Interest payable on above			
<b>Tax as per MAT (D)</b>			
<b>Net Tax (Higher of C &amp; D)</b>	<b>165.84</b>	<b>10.41</b>	<b>4.91</b>
<b>Current tax as per restated Statement of Profit &amp; Loss</b>	<b>165.84</b>	<b>10.41</b>	<b>4.91</b>

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
**(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)**  
**CIN: U51100CT2008PLC020983**

Annexure - XXX			
RESTATED STATEMENT OF CONTINGENT LIABILITIES			
(Rs. in Lakhs)			
Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Claims against the company not acknowledged as Debts	Unascertainable	Unascertainable	Unascertainable
Bank Guarantee	Nil	Unascertainable	Unascertainable

**REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
(Formerly known as REETECH INTERNATIONAL CARGO AND COURIER PRIVATE LIMITED)

CIN: U51100CT2008PLC020983

Restated Statement of Accounting Ratios				
Note: 1.22				
Annexure XXXI				
(Rs. in Lakhs)				
Particulars	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020	
Current Assets [A]	970.04	486.64	15.47	
Current Liabilities [B]	926.45	466.57	15.89	
<b>Current Ratio [A / B]</b>	<b>1.05</b>	<b>1.04</b>	<b>0.97</b>	
Debt [A]	-	45.61	55.22	
Equity [B]	801.06	365.59	325.06	
<b>Debt - Equity Ratio [A / B]</b>	<b>-</b>	<b>0.12</b>	<b>0.17</b>	
Earnings available for debt service [A]	583.22	40.70	18.89	
Debt Service [B]	-	-	-	
<b>Debt - Service Coverage Ratio [A / B]</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Net Profit after Tax [A]	417.29	30.10	13.75	
Average Shareholder's Equity [B]	583.33	345.33	318.19	
<b>Return on Equity Ratio (%) [A / B]</b>	<b>71.54%</b>	<b>8.72%</b>	<b>4.32%</b>	
Cost of Goods Sold [A]	10,993.50	1,797.65	-	
Average Inventory [B]	134.09	39.51	-	
<b>Inventory Turnover Ratio [A / B]</b>	<b>81.99</b>	<b>45.50</b>	<b>-</b>	
Net Sales [A]	11,373.97	1,840.26	-	
Average Trade Receivables [B]	161.48	74.32	-	
<b>Trade Receivables Turnover Ratio [A / B]</b>	<b>70.44</b>	<b>24.76</b>	<b>-</b>	
Net Purchase [A]	11,103.65	1,876.66	-	
Average Trade Payables [B]	105.28	31.26	-	
<b>Trade Payables Turnover Ratio [A / B]</b>	<b>105.47</b>	<b>60.04</b>	<b>-</b>	
Net Sales [A]	11,373.97	1,840.26	-	
Current Assets [A]	970.04	486.64	15.47	
Current Liabilities [B]	926.45	466.57	15.89	
Average Working Capital [B]	31.83	25.72	2.07	
<b>Working Capital Turnover Ratio [A / B]</b>	<b>357.34</b>	<b>71.56</b>	<b>-</b>	
Net Profit [A]	440.47	40.53	13.75	
Net Sales [B]	11,373.97	1,840.26	-	
<b>Net Profit Ratio (%) [A / B]</b>	<b>3.87%</b>	<b>2.20%</b>	<b>0.00%</b>	
Earning before interest and taxes [A]	583.22	40.70	18.89	
Capital Employed [B]	801.06	411.20	380.28	
Capital Employed = Total Equity + Long term Debt	801.06	411.20	380.28	
<b>Return on Capital Employed (%) [A / B]</b>	<b>72.81%</b>	<b>9.90%</b>	<b>4.97%</b>	
Net Return on Investment [A]	-	-	-	
Final Value of Investment	-	-	-	
Initial Value of Investment	-	-	-	
Cost of Investment [B]	-	-	-	
<b>Return on Investment [A / B]</b>	<b>-</b>	<b>-</b>	<b>-</b>	

Notes on ratios:

- Debt equity ratio decreased by 100% in F.Y. 2021-22 as compared to F.Y. 2020-21 due to decrease in debt for the year ended 31.03.2022
- Return on Equity ratio increased by 720.68% in F.Y. 2021-22 as compared to F.Y. 2020-21 due to increase in surplus as company's PAT increased during the F.Y. 2021-22.
- Inventory turnover ratio increased by 80.18% in F.Y. 2021-22 as compared to F.Y. 2020-21 due to increase in cost of goods sold during 2021-22.
- Trade receivable turnover ratio increased by 184.46% in F.Y. 2021-22 as compared to F.Y. 2020-21 due to increase in sales during the F.Y. 2021-22.
- Trade payable turnover ratio increased by 75.65% in F.Y. 2021-22 as compared to F.Y. 2020-21 due to increase in purchase during the F.Y. 2021-22.
- Working capital turnover ratio increased by 399.35% in F.Y. 2021-22 as compared to F.Y. 2020-21 due to increase in sales during the F.Y. 2021-22.
- Net profit ratio increased by 75.82% in F.Y. 2021-22 as compared to F.Y. 2020-21 due to increase in profit during the F.Y. 2021-22.
- Return on capital employed ratio increased by 635.60% in F.Y. 2021-22 as compared to F.Y. 2020-21 due to increase in Profit after tax during the F.Y. 2021-22.

**NOTE 1.23.**

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- a) Crypto Currency or Virtual Currency
- b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- c) Registration of charges or satisfaction with Registrar of Companies
- d) Relating to borrowed funds
  - i) Wilful defaulter
  - ii) Utilisation of borrowed funds & share premium
  - iii) Borrowings obtained on the basis of security of current assets
  - iv) Discrepancy in utilisation of borrowings
  - v) Current maturity of long term borrowings

**NOTE 1.24. DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES**

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Draft Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Audited Restated Consolidated Financial Statements for the Financial Years ended on March 31, 2022, 2021 and 2020 including the related notes and reports, included in this Draft Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these Forward Looking Statements as a result of certain factors such as those described under chapters titled "Risk Factors" and "Forward Looking Statements" beginning on page 27 and 20, respectively of this Draft Prospectus.*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

Our company was incorporated in the year 2008, in the name and style of M R Agriculture Private Limited by the joint efforts of Mr. Mahendra Ahuja and Ms. Roma Ahuja. Company started its operation in the year 2009-10 Initially the Company was engaged in the business of agriculture goods such as Rice Milling, Rice Sorting, Dal Milling, Dal Processing and Agriculture Products. The business of trading of Agriculture goods had been operated by the Company successfully in the past. In the year 2020, our promoters commenced business of trading of coal. In the year 2021, the company changed its name from M R Agriculture Private Limited to Reetech International Cargo and Courier Private Limited. Our Promoters has a vision to look beyond the ordinary; to foresee opportunities; to attain the unattainable; to create in-roads into newer vistas of change and above all, to bridge the demand-supply gap for coal, the world's fossil fuel.

Mr. Mahendra Ahuja started as a small trader of coal in 2020, and within a short span of time, Reetech has emerged as one of the recognised suppliers of coal in the state of Chhattisgarh. We are based at Raipur, Chhattisgarh, and our operations are spread across India, with a wide network of Customers. Our diversified product portfolio comprises coal from Indonesia, South Africa, Australian and India, among other origins. We supply our products to the customers in various sectors i.e., Power, Steel, Rolling and other industries. An effective handling and transportation of the orders is facilitated through Road transportation and Railway. In a very short span of time, our Company has been able to recognize itself as a trusted name in the coal industries due to its commitment to quality and reliability since its inception. Our Company is one of the recognised traders of Coal and perform its operations from Gangavaram and other ports.

### **OUR PRODUCTS**

#### **South African Coal**

We are currently importing the entire spectrum of South African coal that comprises 6000 NAR, 5500 NAR & 4800 NAR. The coal is transported in multifarious vessels such as Supramax, Panamax, Babycapex & Capesize vessels. It is then stored in various locations including Gangavaram port, Vizag port.

#### **Indonesian Coal**

We importing the entire spectrum of Indonesian coal grades, extending from Low Calorific Value and Medium Calorific Value to High Calorific Value.

#### **Indian Coal**

We procure Indian coal through e-auctions conducted by the various subsidiaries of Coal India Limited (WCL, ECL, SECL, CCL, MCL, NCL, SCCL). The coal is procured keeping in mind the quality and quantity requirements of our customers. We pride ourselves on the ability to provide end-to-end logistics solutions to our clients together with flexibility in payment terms, which bring in a great value proposition.

## **US Coal**

We import US coal on Kandla port of GCV higher than 7000.

## **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST BALANCE SHEET DATE I.E. MARCH 31, 2022**

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

- The company increased its's Authorised equity share capital from ₹ 10,000,000 to ₹ 60,000,000 of Rs.10/- each vide resolution passed in its members meeting dated June 18, 2022
- The Board of our Company has approved to raise funds through initial public offering in the Board meeting held on July 15, 2022.
- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on August 01, 2022.
- Our Company was converted from a private limited company to public limited company and the name of our Company was changed to "Reetech International Cargo and Courier Limited" and a fresh certificate of incorporation consequent to conversion was issued on April 12, 2022 by the Registrar of Companies, Chhattisgarh bearing Corporate Identification Number U51100CT2008PLC020983.
- The Company issued 31,11,000 bonus Equity Shares in the proportion of 6:1 (6-Six) fully paid equity shares of ₹10/- each allotted against 1(One) Equity Shares of ₹ 10/- each vide resolution passed in members meeting dated August 01, 2022 and allotted on August 08, 2022, effect of this bonus issue has been considered to calculate EPS.

## **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our company's future results of operations could be affected potentially by the following factors:

1. Impact of the COVID-19 pandemic on our business and operations;
2. General economic and business conditions in India and other countries;
3. Our reliance on internet network and our ability to utilize systems in an uninterrupted manner; Effect of lack of infrastructure facilities on our business;
4. Our ability to attract, retain and manage qualified personnel;
5. Our ability to successfully implement our growth strategy and expansion plans, technological changes;
6. Changes in fiscal, economic or political conditions in India;
7. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
8. Any adverse outcome in the legal proceedings in which we are involved;
9. The occurrence of natural disasters or calamities;
10. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
11. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
12. Conflict of Interest with group companies, the promoter group and other related parties



13. Changes in the value of the Rupee and other currencies;
14. Other factors beyond our control; and
15. Our ability to manage risks that arise from these factors.

## OUR SIGNIFICANT ACCOUNTING POLICIES AND NOTES

### Corporate Information

The Company was originally incorporated on December 18, 2008 as a Private Limited Company in the name of “M R Agriculture Private Limited” vide Registration No. 020983 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh and Chhattisgarh. Further, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on June 15, 2020 name of our Company was changed to “Reetech International Cargo and Courier Private Limited” and a Fresh Certificate of Incorporation was issued by Registrar of Companies, Chhattisgarh. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on February 15, 2022 our Company was converted from a Private Limited Company to Public Limited Company and the name of our Company was changed to “Reetech International Cargo and Courier Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on April 12, 2022 by the Registrar of Companies, Chhattisgarh bearing Corporate Identification Number U51100CT2008PLC020983.

### Note-1 Significant Accounting Policies

#### 1.1 Basis of Preparation of Financial Statements: -

- (a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.
- (b) The financial statements are prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Companies Act, 2013.
- (c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.
- (d) The company holds 36.36% equity shares of M/s. M AHUJA PROJECT (INDIA) PRIVATE LIMITED, hence Restated Consolidated Financial statements has been prepared in accordance with Accounting Standard-23 on the basis of Audited Consolidated financial statements of the company, however statutory audit of Consolidated financial statements for the F.Y. 2020-21 and 2019-20 have not been conducted by the company.

#### 1.2 Revenue Recognition: -

- (a) The company generally follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.
- (b) Sales are recognized on accrual basis, and only after transfer of goods or services to the customer, Sales are recognized at the time of passage of the title that generally coincides with their delivery. Sales are net of GST and Trade discounts.
- (c) Dividend on Investments are recognized on receipt basis.
- (d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### 1.3 Property, Plant and Equipment and Intangible Assets & Depreciation:

- (a) Fixed Assets are stated at Cost less accumulated depreciation. The Company has capitalized all cost relating to the acquisition and installation of Fixed Assets.

(b) Depreciation is provided on Fixed Assets on Written down value Method on the basis of Useful Life as prescribed under Part C of Schedule - II of the Companies Act, 2013.

(c) Cost of the fixed assets not ready for their intended use at the Balance Sheet date together with all related expenses are shown as Capital Work-in-Progress.

(d) There are no Intangible Assets in the company.

#### **1.4 Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

#### **1.5 Investments**

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

#### **1.6 Inventories:**

Inventories consisting of Traded goods and are valued at lower of cost and net realizable value in accordance with Accounting Standard- 2. Cost of inventories comprises of material cost on FIFO basis and expenses incurred in bringing the inventories to their present location and condition

#### **1.7 Employee Benefits:**

Leave encashment to the employees are accounted for as & when the same is claimed by eligible employees.

#### **1.8 Borrowing Cost:**

(a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

#### **1.9 Taxes on Income:**

a) Tax expense comprises of current tax and deferred tax.

b) Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

c) Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted.

d) Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

#### **1.10 Earnings per share (EPS):**

(a) 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.

(b) 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

### 1.11 Prior Period Items

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements.

### 1.12 Provisions and Contingent Liabilities:

(a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

(b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

(c) A Contingent Asset is not recognized in the Accounts.

### 1.13 Segment Reporting:

#### A. Business Segments:

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment, which is Construction contract and Works contract. Accordingly, the figures appearing in these financial statements relate to the Company's single Business Segment.

#### B. Geographical Segments:

The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

## DISCUSSION ON RESULTS OF OPERATION

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the financial year ended on March 31, 2022, 2021 and 2020.

### Overview of Revenue and expenditure

#### *Revenue and Expenditure*

*Total Revenue:* Our total revenue comprises of revenue from operations and other income.

*Revenue from operations:* Our revenue from operations comprises of Sale of Goods.

*Other Income:* Our Other income consists of Interest on fixed deposit, Interest on delayed payment, Plot Rent, Handling and Distribution Services, Commission on Sales, Sundry Balance Written Off, Miscellaneous Income, Rounding Off.

*Expenses:* Our expenses comprise of Purchase of Stock in Trade, Change in Inventory, Employee Benefit Expenses, Finance Cost and Other Expenses.

*Purchase of Stock in Trade:* Our Purchase of Stock in Trade comprises direct expenses.

*Changes in Inventory:* Our Changes in Inventory comprises difference between opening stock of Consumables and closing stock of Consumables.

*Employee Benefit Expenses:* Our employee benefit expense consists of Salaries and Wages and Directors Remuneration

*Finance Cost:* Our finance costs comprise of Interest on Overdraft Fund and Bank Charges.

*Other expenses:* Other expenses includes Audit Fees & Legal Fees, Plot Rent, GST Expenses, Interest and Penalties on Statutory Dues, Office Expenses, Tour and Travelling Expenses, Commission and Brokerage on Coal, Marketing and Promotion Expenses, ROC Fees Expenses, Bad Debts, Advertisement Expenses, Domain Registration Charges, Misc. Expenses.

*Provision for Tax:* Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I.T. Act.

## RESULTS OF OUR CONSOLIDATED OPERATIONS

The following table sets for the select financial data from our financial statements as restated of profit and loss for the financial year ended on March 31, 2022, 2021 and 2020 the components of which are also expressed as a percentage of total revenue for such periods:

Particulars	March 31, 2022	% of total income	March 31, 2021	% of total income	March 31, 2020	% of total income
Revenue from Operations	11,373.97	97.30%	1,840.26	99.88%	-	-
Other income	315.13	2.70%	2.15	0.12%	18.99	100.00%
<b>Total Revenue (A)</b>	<b>11,689.10</b>	<b>100.00%</b>	<b>1,842.41</b>	<b>100.00%</b>	<b>18.99</b>	<b>100.00%</b>
<b>Expenses:</b>						
Purchase of Stock In Trade	11,103.65	94.99%	1,876.66	101.86%	-	-
Changes in Inventories	-110.15	-0.94%	-79.01	-4.29%	-	-
Employee benefits expense	25.59	0.22%	-	0.00%	-	-
Other expenses	82.49	0.71%	4.06	0.22%	0.10	0.53%
<b>Total Expenses (B)</b>	<b>11,101.58</b>	<b>94.97%</b>	<b>1,801.71</b>	<b>97.79%</b>	<b>0.10</b>	<b>0.53%</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization (C=A-B)</b>	<b>587.53</b>	<b>5.03%</b>	<b>40.70</b>	<b>2.21%</b>	<b>18.89</b>	<b>99.47%</b>
Finance costs (D)	0.09	0.00%	0.19	0.01%	-	-
Depreciation and amortization expenses (E)	-	-	-	-	-	-
<b>Profit before exceptional items, extraordinary items and tax (F=C-D-E)</b>	<b>587.44</b>	<b>5.03%</b>	<b>40.51</b>	<b>2.20%</b>	<b>18.89</b>	<b>99.47%</b>
<b>Exceptional Items</b>	<b>4.31</b>	<b>0.04%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
CSR	4.31	0.04%	-	-	-	-
<b>Profit before tax (F=C-D-E)</b>	<b>583.13</b>	<b>4.99%</b>	<b>40.51</b>	<b>2.20%</b>	<b>18.89</b>	<b>99.47%</b>
<b>Tax Expenses</b>						
- Current Tax	165.84	1.42%	10.41	0.57%	4.91	25.86%
- Short/(Excess) Provision of Earlier Year	-	-	-	-	-	-
- Deferred Tax	-	-	-	-	-	-
<b>Tax Expense For The Year (G)</b>	<b>165.84</b>	<b>1.42%</b>	<b>10.41</b>	<b>0.57%</b>	<b>4.91</b>	<b>25.86%</b>
<b>Profit after tax (H=F-G)</b>	<b>417.29</b>	<b>3.57%</b>	<b>30.10</b>	<b>1.63%</b>	<b>13.98</b>	<b>73.62%</b>
Minority Interest	23.18	-	10.43	-	-0.22	-
<b>Restated profit after tax from Continuing Operations (H=F-G)</b>	<b>440.47</b>	<b>3.77%</b>	<b>40.53</b>	<b>2.20%</b>	<b>13.75</b>	<b>72.41%</b>

## COMPARISON OF FY 2021-22 WITH FY 2020-21

### Income

Total Revenue: Our total revenue increased by ₹9,846.69 lakhs or 534.45% to ₹11,689.10 Lakh for the financial year 2021-22 from ₹1,842.41 Lakh for the financial year 2020-21 due to the factors described below:

### Revenue from operations

Our revenue from operations is ₹11,373.97 Lakhs for the financial year 2021-22 as compared to ₹1,840.26 Lakhs for the financial year 2020-21 representing an incline of 518.06% on account of incline in sales due to rapid recovery from the pandemic.

## **Other Income**

Our Other Income is ₹315.13 Lakhs for the financial year 2021-22 as compared to ₹2.15 Lakhs for the financial year 2020-21 representing an increase of 14,557.21% on account of increase in Plot Rent, Handling and Distribution Charges, Commission on Sales, Sundry Balance Written Off, Miscellaneous Income which was partially set off with decrease in Interest on Fixed Deposit and Interest on Delayed Payment.

## **Expenses**

Our total expenses excluding finance cost, depreciation and tax expenses is ₹11,101.58 Lakhs for the financial year 2021-22 as compared to ₹1,801.71 Lakhs for the financial year 2020-21 representing an increase of 516.17% due to the factors described below: -

### **Purchase of Stock in Trade**

Our Purchase of Stock in Trade is ₹11,103.65 Lakhs for the financial year 2021-22 as compared to ₹1,876.66 Lakhs for the financial year 2020-21 representing an increase of 491.67% due to increase in our scale of operations.

### **Changes in Inventories**

Our changes in inventories is ₹(110.15) Lakhs for the financial year 2021-22 which is 39.41% more than the changes in inventories for the financial year 2020-21 of ₹(79.01) Lakhs.

### **Employee benefits expenses**

Our employee benefit expenses is ₹25.59 Lakhs for the financial year 2021-22 where there was no Employee Benefits Expenses for the financial year 2020-21.

### **Finance costs**

Our finance cost is ₹0.09 Lakhs for the financial year 2021-22 as compared to ₹0.19 Lakhs for the financial year 2020-21 representing a decrease of 52.63% on account of decrease in Interest on Overdraft Fund and Bank Charges.

### **Depreciation and amortization expense**

There is no Depreciation for the financial year 2021-22 as well as for the financial year 2020-21.

### **Other expenses**

Our other expenses increased by 1,931.77% to ₹82.49 Lakhs for the financial year 2021-22 from ₹4.06 Lakhs for the financial year 2020-21, which is 0.71% and 0.22% of the total revenue of respective years. The increase was mainly due to increase in Audit Fees & Legal Fees, Plot Rent, GST Expenses, Interest and Penalties on Statutory Dues, Office Expenses, Commission and Brokerage on Coal, Marketing and Promotion Expenses, Bad Debts, Advertisement Expenses, Domain Registration Charges, Misc. Expenses which partially set off with decrease in Tours and Travelling Expenses and ROC Expenses.

### **Exceptional Items**

As per The Companies Act, 2013 our company attracts the provision of CSR, and for that purpose we have created a CSR provision in our books, which is of ₹4.31 Lakhs.

### **Profit before tax**

Our profit before tax increased by 1,339.47% to ₹583.13 Lakhs for the financial year 2021-22 from ₹ 40.51 Lakhs for the financial year 2020-21. The increase was mainly due to the factors described above.

### **Tax expenses**

Our tax expenses for the financial year 2021-22 amounted to ₹165.84 Lakhs as against tax expenses of ₹10.41 Lakhs for the financial year 2020-21. The net increase of ₹155.43 Lakhs is on account of increase in Current tax.

## **Profit After Tax**

Our profit after tax increased by 1,286.35% to ₹417.29 Lakhs for the financial year 2021-22 from ₹30.10 Lakhs for the financial year 2020-21, reflecting a net increase of ₹387.19 Lakhs due to aforementioned reasons.

## **COMPARISON OF FY 2020-21 WITH FY2019-20**

### **Income**

Total Revenue: Our total revenue increased by ₹1823.42 lakhs or 9602.00% lakh to ₹1842.41 Lakh for the financial year 2020-21 from ₹18.99 Lakh for the financial year 2019-20 due to the factors described below:

### **Revenue from operations**

Our revenue from operations is ₹1840.26 Lakhs for the financial year 2020-21 where there was no revenue in the financial year 2020-21. The growth was due to increase and expansion of sale of goods.

### **Other Income**

Our other income is ₹2.15 Lakhs for the financial year 2020-21 compared to ₹18.99 Lakhs for the financial year 2019-20 due to increase in Interest on Fixed Deposit, Interest on Delayed Payment, Plot Rent which was partially set off with Sundry Balance Written Off.

### **Expenses**

Our total expenses excluding finance cost, depreciation and tax expenses is ₹1801.71 Lakhs for the financial year 2020-21 as compared to ₹0.10 Lakhs for the financial year 2019-20 representing an increase of 1801.61 Lakhs due to the factors described below:

### **Purchase of Stock in Trade**

Our Purchase of Stock in Trade is ₹1876.66 Lakhs for the financial year 2020-21 while there was no purchase of stock in trade in the financial year 2019-20.

### **Changes in Inventories**

Our changes in inventories is ₹79.01 Lakhs for the financial year 2020-21 where there was no changes in inventories for the financial year 2019-20.

### **Employee Benefits Expenses**

There was no Employee Benefits Expenses in both the financial year.

### **Finance costs**

Our finance cost is ₹0.19 Lakhs for the financial year 2020-21 as there was no finance cost in the financial year 2019-20. The increase was due increase in Interest on Overdraft Loan and Bank Charges.

### **Depreciation and amortization expense**

As there is no fixed assets so no depreciation or amortization expenses happened.

### **Other expenses**

Our other expenses increased by 3960% to ₹4.06 Lakhs for the financial year 2020-21 from ₹0.10 Lakhs for the financial year 2019-20 which is 0.22% and 0.53% of the total revenue of respective years. The increase was mainly due to increase in Audit Fees & Legal Fees, Plot Rent, GST Expenses, Interest and Penalties on Statutory Dues, Office Expenses, Tour and Travelling Expenses, Commission and Brokerage on Coal, ROC Fees Expenses.

## Profit before tax

Our profit before tax increased by 114.45% to ₹40.51 Lakhs for the financial year 2020-21 from ₹18.89 Lakhs for the financial year 2019-20. The increase was mainly due to the factors described above.

## Tax expenses

Our tax expenses for the financial year 2020-21 amounted to ₹10.41 Lakhs as against tax expenses of ₹4.91 Lakhs for the financial year 2019-20. The net increase is on account of increase in Current Tax.

## Profit After Tax

Our profit after tax increased by 115.31% to ₹30.10 Lakhs for the financial year 2020-21 from ₹13.98 Lakhs for the financial year 2019-20, reflecting a net increase of ₹16.12 Lakhs due to aforementioned reasons.

## Cash Flows

The table below summaries our cash flows from our Restated Financial Statements for the financial years 2022, 2021 and 2020:

Particulars	For the year ended March 31,		
	2022	2021	2020
Net cash (used in)/ generated from operating Activities	334.51	69.68	17.20
Net cash (used in)/ generated from investing Activities	(343.11)	0.13	11.79
Net cash (used in)/ generated from financing Activities	(50.70)	(9.80)	(28.99)
Net increase/ (decrease) in cash and cash Equivalents	(59.30)	60.00	(0.00)
Cash and Cash Equivalents at the beginning of the period	60.32	0.31	0.32
Cash and Cash Equivalents at the end of the Period	1.02	60.32	0.31

(₹in Lakh)

## Operating Activities

### Financial year 2021-22

Our net cash generated from operating activities was ₹334.51 Lakhs for the financial year ended on March 31, 2022. Our operating profit before working capital changes was ₹587.48 Lakhs for the financial year 2021-22 which was primarily adjusted against increase in inventories by ₹110.51 Lakhs, increase in trade receivables by ₹25.68 Lakhs, increase in short term loans and advances by ₹416.43 Lakhs, increase in other current assets by ₹114.28 Lakhs, increase in trade payables by ₹85.54 Lakhs, increase in other current liabilities by ₹328.04 Lakhs.

### Financial year 2020-21

Our net cash generated from operating activities was ₹69.68 Lakhs for the financial year ended on March 31, 2021. Our operating profit before working capital changes was ₹40.57 Lakhs for the financial year 2020-21 which was primarily adjusted against increase in inventories by ₹79.01 Lakhs, increased in trade receivables by ₹148.64 Lakhs, increase in short term loans and advances by ₹168.41 Lakhs, increase in other current assets by ₹30.43 Lakhs, increase in trade payables by ₹62.51 Lakhs, increase in other current liabilities by ₹393.08 Lakhs.

### Financial year 2019-20

Our net cash generated from operating activities was ₹17.20 Lakhs for the financial year ended on March 31, 2020. Our operating profit before working capital changes was ₹18.89 Lakhs for the financial year 2019-20 which was primarily adjusted against increase in short term loans and advances by ₹15.16 Lakhs, decrease in other current assets by ₹3.36, increase in other current liabilities by ₹10.10 Lakhs.

## Investing Activities

### Financial year 2021-22

Our net cash used in investing activities was ₹343.11 Lakhs for the financial year 2021-22. These were on account of increase long term loans and advances of ₹343.16 Lakhs and interest income of ₹0.05 Lakhs.



### Financial year 2020-21

Our net cash generated from investing activities was ₹0.13 Lakhs for the financial year 2020-21. These were on account of interest income of ₹0.13 Lakhs.

### Financial year 2019-20

Our net cash generated from investing activities was ₹11.79 Lakh for the financial year 2019-20. These were on account of Purchase of Investment of ₹15.00 Lakhs & Decrease in Long Term loan & Advances of ₹26.79 Lakhs.

### Financing Activities

### Financial year 2021-22

Net cash used in financing activities for the financial year March 31, 2022 was ₹50.70 Lakhs which was primarily on account of IPO expense of ₹5.00 Lakhs, Finance Cost of ₹0.09 Lakhs and repayment of Long term borrowings by ₹45.61 Lakhs.

### Financial year 2020-21

Net cash used in financing activities for the financial year March 31, 2021 was ₹9.80 Lakhs which was primarily on account of repayment of long-term borrowings of ₹9.61 Lakhs and finance cost was ₹0.19 Lakhs.

### Financial year 2019-20

Net cash used in financing activities for the financial year March 31, 2020 was ₹28.99 Lakhs which was primarily on account of repayment of long-term borrowings of ₹28.99 lakhs.

### Other Key Ratios

The table below summaries key ratios in our Audited Restated Consolidated Financial Statements for the Financial Years ended on March 31, 2022, 2021 and 2020:

Particulars	For the year ended March 31,		
	2022	2021	2020
Fixed Asset Turnover Ratio	-	-	-
Current Ratio	1.05	1.04	0.97
Debt Equity Ratio	-	0.12	0.17
Inventory Turnover Ratio	81.99	45.50	-

**Fixed Asset Turnover Ratio:** This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

**Current Ratio:** This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

**Debt Equity Ratio:** This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

**Inventory Turnover Ratio:** This is defined as average inventory divided by total turnover based on Financial Statements as restated.

### Financial Indebtedness

As on March 31, 2022, the total outstanding borrowings of our Company is NIL. For further details, refer to the chapter titled “*Statement of Financial Indebtedness*” beginning on page 158 of this Draft Prospectus.

### Related Party Transactions

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products and services. For further information, please refer to the chapter titled “*Financial Statements as Restated*” beginning on page 145 of this Draft Prospectus.

## **Off-Balance Sheet Items**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

## **Qualitative Disclosure about Market Risk**

### **Financial Market Risks**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

### **Interest Rate Risk**

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

### **Effect of Inflation**

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

### **Credit Risk**

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

## **Reservations, Qualifications and Adverse Remarks**

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 145 of this Draft Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 145 of this Draft Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

## **FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS**

### **Unusual or infrequent events or transactions**

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

### **Significant economic changes that materially affected or are likely to affect income from continuing operations**

There are no significant economic changes that materially affected Company’s operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

### **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the chapter titled **“Risk Factors”** beginning on page 27 of this Draft Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### **Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change**

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

### **The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

### **Total turnover of each major industry segment in which the Issuer Company operates**

Our Company is primarily engaged in the business of trading of minerals, mainly trading of coal.

Relevant industry data, as available, has been included in the chapter titled **“Our Industry”** beginning on page 88 of this Draft Prospectus.

### **Any significant dependence on a single or few suppliers or customers**

The % of Contribution of our Company’s customer and supplier vis-a-vis the revenue from operations and expenses respectively as on March 31, 2022 is as follows:

<b>Particulars</b>	<b>Customers</b>	<b>Suppliers</b>
Top 5 (%)	67.62	44.33
Top 10 (%)	96.66	46.76

### **Competitive Conditions**

We have competition with Indian and international financial service providing companies and our results of operations could be affected by competition in the financial services industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies/ entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled **“Risk Factors”** beginning on page 27 of this Draft Prospectus.

### **Increase in income**

Increases in our income are due to the factors described above in in this chapter under **“Factors Affecting Our Results of Operations”** and chapter titled **“Risk Factors”** beginning on page 27 of this Draft Prospectus.

### **Status of any Publicly Announced New Business Segments**

Except as disclosed elsewhere in this Draft Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

### STATEMENT OF FINANCIAL INDEBTEDNESS

Brief details on the financial indebtedness of the “REETECH INTERNATIONAL CARGO AND COURIER LIMITED” as on date of this Draft Prospectus is as under:

#### **SECURED LOAN FROM BANKS:**

<i>(₹ in lakhs)</i>						
Name of Lender	Date of Sanction	Nature/ Purpose	Sanctioned Amount	Rate of interest	Repayment Period	Outstanding amount
Yes Bank Limited	July 08, 2022	Overdraft against Fixed Deposit	50.40	FD rate + 0.80%	Repayable on demand and secured 100% by bank Fixed Deposit and spread of 0.80%	49.80
<b>TOTAL</b>						<b>49.80</b>

#### **UNSECURED LOANS**

NIL

## **SECTION X: LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as disclosed below, there are no outstanding litigation with respect to

- i. issues of criminal liability on the part of our Company;
- ii. material violations of statutory regulations by our Company;
- iii. economic offences where proceedings have been initiated against our Company;
- iv. any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position; and
- v. other litigation, including civil or tax litigation proceedings, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position or is otherwise material in terms of for the purpose of litigation disclosures in this Draft Prospectus.

For the purpose of point (iv) above, the Board of Directors had approved a materiality policy ('Materiality Policy') effective from July 15, 2022. As per the said policy the materiality threshold shall be calculated based on audited consolidated financial statements of the last audited financial year and would mean an event/ information where the value involved or the impact is (i) 10.00 Lakhs or more.

#### **SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS**

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

(in lakhs)

Nature of Cases	Number of Cases	Total Amount Involved (In ₹.)
<b>Proceedings against our Company</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	3	0.58
<b>Proceedings by our Company</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	12	13.37
<b>Proceedings by our Promoters</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Directors</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	3	NIL
	9	13.37
	3	0.22
<b>Proceedings by our Directors</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
<b>Proceedings against our Group Companies</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	Outstanding Demand – 8	1025.63

	E-Proceedings - 8	NIL
<b>Proceedings by our Group Companies</b>		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL

#### A. LITIGATION INVOLVING OUR COMPANY

##### i. Civil proceedings

Nil

##### ii. Proceedings involving issues of criminal liability on the part of our Company

Nil

##### iii. Income Tax

#### *Direct Tax:*

##### a. Outstanding demand against our Company “ReeTech International Cargo and Courier Limited”

(₹ in Lakhs)

AY	Demand Reference No.	Section Code	Date of Demand raised	Outstanding Demand Amount	Interest	Total demand
2014	2016201410006028280C	1433	December 29, 2016	0.56	NIL	0.56
2010	2011201037008533655C	NA	March 18, 2011	NIL	0.02	0.02
2012-13	NIL	Defective notice u/s 139(9)	NIL	NIL	NIL	NIL
					<b>Total</b>	<b>0.58</b>

#### *Indirect Tax:*

Nil

##### iv. Proceedings involving material violations of statutory regulations by our Company

Nil

There are no prosecution proceedings initiated, or show cause notices in adjudication proceedings which have been issued, by SEBI, and which are pending against our Company.

##### v. Matters involving economic offences where proceedings have been initiated against our Company

There are no matters involving economic offences where proceedings have been initiated against our Company.

There are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company:

#### B. LITIGATION INVOLVING OUR PROMOTERS

##### i. Civil proceedings

Nil

ii. Proceedings involving issues of criminal liability on the part of our Promoters

Nil

iii. Tax Proceedings:

**Direct Tax:**

a. E-Proceeding against the Promoter Mr. Mahendra Ahuja as follows:

(₹ in Lakhs)

AY	Name of Assesse	Status	Financial year	Proceeding name /Document Reference ID	U/s	Issued on	Response Due
2013-14	Mahendra Ahuja	Open	2012-13	First Appeal	NA	NA	NA
2015-16	Mahendra Ahuja	Open	2014-15	Issue Letter	NA	NA	NA
2012-13	Mahendra Ahuja	Open	2011-12	First Appeal	NA	NA	NA

b. Outstanding Demand Screenshot of Promoter Ms. Roma Ahuja as follows:

(₹ in Lakhs)

AY	Demand Reference No.	Section Code	Date of Demand raised	Outstanding Demand Amount	Interest	Total demand
2015	2016201537015861006T	1431a	June 02, 2016	5.69	NIL	5.69
2014	2016201437030923510T	1431a	August 25, 2016	2.92	NIL	2.92
2011	2016201137040728836T	1431a	October 03, 2016	0.10	0.11	0.21
2009	2010200910011081780T	1431a	September 20, 2010	0.17	0.24	0.41
2016	2017201637016462596T	1431a	May 29, 2017	4.14	Nil	4.14
					<b>Total</b>	<b>13.37</b>

**E-Proceeding against the Promoter Ms. Roma Ahuja as follows:**

AY	Proceeding Name/notice communication/reference id	u/s	Financial year	Status	Issued on	Response due date
2012-13	First Appeal Proceedings	NIL	2011-12	Open	NIL	NIL
2011-12	Issue letter	NIL	2010-11	Open	NIL	NIL
2015-16	Issue letter	NIL	2014-15	Open	NIL	NIL
2013-14	First Appeal Proceedings	NIL	2012-13	Open	NIL	NIL

**Indirect Tax:**

- Nil

There is no tax demand which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy.

iv. Proceedings involving material violations of statutory regulations by our Promoters:

Nil

v. Matters involving economic offences where proceedings have been initiated against our Promoters

There are no matters involving economic offences where proceedings have been initiated against our Promoters.

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

Nil



**C. LITIGATION INVOLVING OUR DIRECTORS / INDEPENDENT DIRECTORS OTHER THAN PROMOTERS**

**i. Civil proceedings**

Nil

**ii. Proceedings involving issues of criminal liability on the part of our Directors /Independent Directors**

Nil

**iii. Tax Proceedings:**

**Direct Tax:**

**a. Outstanding demand against Independent Director Mr. Mukesh Chandwani as follows:**

*(₹ in Lakhs)*

AY	Demand Reference No.	Section Code	Date of Demand raised	Outstanding Demand Amount	Interest	Total demand
2015	2012201537000407971T	154	April 19, 2021	0.22	NIL	0.22
2013	2014201337015832272T	1431a	July 21, 2014	Negligible	NIL	Negligible
2011	2018201110001969115T	147	December 19, 2018	NIL	Negligible	Negligible
<b>Total</b>						<b>0.22</b>

**Indirect Tax:**

Nil

**iv. Proceedings involving material violations of statutory regulations by our Directors :**

Nil

**v. Matters involving economic offences where proceedings have been initiated against our Directors:**

Nil

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

Nil

**D. LITIGATION INVOLVING OUR GROUP COMPANIES M AHUJA PROJECT (INDIA) PRIVATE LIMITED**

**i. Civil proceedings**

Nil

**ii. Proceedings involving issues of criminal liability on the part of our Group Company**

Nil

AY	Name of Assessee	Status	Financial year	Proceeding name /Document Reference ID	u/s	Proceeding Limitation date	Response Due
2012-13	M Ahuja Project (India) Pvt Ltd	Open	2011-12	First Appeal Proceeding	NA	March 31, 2022	NA
2018-19	M Ahuja Project (India) Pvt Ltd	Open	2017-18	Issue Letter	NA	NA	NA
2012-13	M Ahuja Project (India) Pvt Ltd	Open	2011-12	First Appeal Proceeding	NA	NA	NA
2014-15	M Ahuja Project (India) Pvt Ltd	Open	2013-14	First Appeal Proceeding	NA	March 31, 2022	NA
2010-11	M Ahuja Project (India) Pvt Ltd	Open	2009-10	Issue Letter	NA	NA	NA
2011-12	M Ahuja Project (India) Pvt Ltd	Open	2010-11	First Appeal Proceeding	NA	NA	NA
2013-14	M Ahuja Project (India) Pvt Ltd	Open	2012-13	First Appeal Proceeding	NA	NA	NA
2014-15	M Ahuja Project (India) Pvt Ltd	Open	2013-14	First Appeal Proceedings	NA	NA	NA

**iii. Tax Proceedings:**

**Direct Tax:**

**a. Outstanding Tax demand for the Group Company M Ahuja Project (India) Private Limited as follows:**

(₹ in Lakhs)

AY	Demand Reference No.	Section Code	Date of Demand raised	Outstanding Demand Amount	Interest
2018	2019201837062601552C	1431a	November 13, 2019	5.86	1.87
2014	2019201440403494905C	143(3)	November 29, 2019	440.90	132.27
2015	2017201510000025495C	1433	April 06, 2017	102.04	64.28
2012	2019201240403558892C	147	December 06, 2019	182.41	54.72
2019	2020201937022338114C	1431a	December 08, 2020	2.66	Nil
2011	2019201140402993124C	154	January 16, 2017	26.91	16.42
2016	2018201640401541971C	271(1)(b)	November 12, 2018	0.20	0.09
2016	2018201637042534484C	143(3)	November 29, 2018	0.61	0.26
			<b>TOTAL</b>	<b>755.72</b>	<b>269.91</b>

**A. E-Proceedings for Group Company M Ahuja Project (India) Private Limited as follows:**

**Indirect Tax:**

Nil

There is no tax demand which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy.

**b. Proceedings involving material violations of statutory regulations by our Group Company**

Nil

**c. Matters involving economic offences where proceedings have been initiated against our Group Company**

There are no matters involving economic offences where proceedings have been initiated against our Group Company.

**B. Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies' enactment in the last 5 (five) years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies' enactment in the last 5 (five) years against our Company.

**C. Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies' enactment in the last 5 (five) years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies' enactment in the last 5 (five) years against our Company.

**D. Material Fraud against our Company in the last 5 (five) years**

There has been no material fraud committed against our Company in the last 5 (five) years.

**E. Wilful Defaulter**

Our company, Promoters and Directors have not been identified as a wilful defaulter in terms of the SEBI ICDR Regulations as on the date of this Draft Prospectus.

**Outstanding Dues to Small Scale Undertaking or Any others Creditors**

In terms of the Materiality Policy, our Company has no material creditors, as on March 31, 2022

**As on March 31, 2022 the details of amounts outstanding towards small scale undertakings and other creditors are as follows:**

<b>(₹ in Lakhs)</b>	
<b>Particulars</b>	<b>Amounts</b>
Outstanding dues to small scale undertakings	NIL
Outstanding dues to other creditors	148.05
<b>Total Outstanding dues</b>	<b>148.05</b>

For further details, refer to the section titled ***"Financial Statements as Restated"*** beginning on page 145 of this Draft Prospectus.

**Material Development**

There have not arisen, since the date of the last financial information disclosed in this Draft Prospectus any circumstances which materially and adversely affect, or are likely to affect, our profitability taken as a whole, or the value of our consolidated assets or our ability to pay our liabilities within the next twelve (12) months.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Government/RBI, various Government agencies and other statutory and/ or regulatory authorities and Certification Bodies required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities.

Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. 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.

The main object clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities. Further in order to operate business of our Company, company requires various approvals and/or licenses under various laws, rules and regulations to carry on business trading, export & import of coal, iron ore billet and other natural resources. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled ***“Key Industry Regulations and Policies”*** beginning on page 105 of this Draft Prospectus.

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

### **INCORPORATION AND OTHER DETAILS:**

Our Company was originally incorporated on December 18, 2008 as a Private Limited Company in the name of “M R Agriculture Private Limited” vide Registration No. 020983 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh and Chhattisgarh. Further, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on June 15, 2020 name of our Company was changed to “Reetech International Cargo and Courier Private Limited” and a Fresh Certificate of Incorporation was issued by Registrar of Companies, Chhattisgarh. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra Ordinary General Meeting held on February 15, 2022 our Company was converted from a Private Limited Company to Public Limited Company and the name of our Company was changed to “Reetech International Cargo and Courier Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on April 12, 2022 by the Registrar of Companies, Chhattisgarh bearing Corporate Identification Number U51100CT2008PLC020983.

### **APPROVALS FOR THE ISSUE:**

#### **Corporate Approvals:**

The following approvals have been obtained or will be obtained in connection with the Issue:

- a) The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on July 15, 2022 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b) The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on August 01, 2022 authorized the Issue.

In-principle approval from the Stock Exchange:

We have received In-principle approval from the stock exchange for the listing of our Equity Shares on the SME Platform of BSE Limited, pursuant to letter dated [●] bearing reference no. [●].

### **Agreements with NSDL and CDSL**

1. The Company has entered into an agreement dated July 19, 2022 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.

2. Similarly, the Company has also entered into an agreement dated July 11, 2022 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.
3. The Company's International Securities Identification Number (“ISIN”) is INE0MKO01015.

For further details of the properties mentioned above, please refer to the “*Details of Immovable Property*” in the chapter titled “*Our Business*” beginning on page 99 of this Draft Prospectus.

#### **APPROVALS / LICENSES RELATED TO OUR BUSINESS ACTIVITIES**

Sr. No.	Description	Authority	Registration No. / License No.	Date of Issue	Date of Expiry
1.	Import Export Code	Directorate General of Foreign Trade	IEC Code AAFCM8652E	July 02, 2022	NA
2.	Udyog Aadhar Memorandum /Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-CG-14-0027724	June 15, 2022	Perpetual
3.	Registration Certificate under Shop & Establishment Act, 2017	Inspector of Shops and Commercial Establishment	Reg No.	NA	To be renewed in every three years

*The company is yet to make an application for registration of the mentioned Shop and Establishment*

All the above-mentioned Approvals and licenses related to our Business Activities are registered in the name of “Reetech International Cargo And Courier Limited”

#### **TAX RELATED APPROVALS / LICENSES / REGISTRATIONS:**


Sr. No.	Authorization Granted	Issuing Authority	Registration No. / License No.	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAFCM8652E	NA	Perpetual
2.	Tax Deduction Account Number (TAN)	Income Tax Department	JBPM07050B	June 10, 2022	Perpetual
3.	Goods and Service Tax Identification Number (GST)	Government of India Principal place of business address at 0, Sai Kunj, Kali Mata Mandir Road, Opposite Pwd Office, Civil Lines Raipur, Raipur, Chhattisgarh, 492001	22AAFCM8652E2ZK	September 21, 2020	Perpetual

#### **INDUSTRIAL AND LABOUR RELATED APPROVALS / REGISTRATIONS:**

Sr. No	Description	Authority	Registration No. / License No.	Date
1	Registration under Employees' State Insurance Act, 1948, Employees State Insurance Corporation	Employees State Insurance Corporation	NA	NA

The company is yet to make an application for registration of the mentioned ESIC.

**INTELLECTUAL PROPERTY APPROVAL OBTAINED BY OUR COMPANY:**

Sr. No.	Logo	Authority Granting Approval	Dated	Temporary Reference No	Trademark	Status
1.		Trade Marks Registry Under Trade Marks Act, 1999, July 09, 2022	July 09, 2022	7347348	Reetech International Under class: 35	Applied

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Issue has been authorized pursuant to the resolution passed by the Board of Directors dated July 15, 2022 and by the shareholders pursuant to the special resolution passed in Extra-Ordinary General Meeting dated August 01, 2022 under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary.

The Selling Shareholders have confirmed and authorised his respective proportion of the Offered Shares pursuant to the Offer for Sale, as set out below:

Sr. No	Name of Selling Shareholders	Authorisation Letter dated	Consent Letter dated	No. of Equity Shares held	No. of Equity Shares Offered
1.	Mr. Mahendra Ahuja	August 10, 2022	August 10, 2022	15,43,150	2,20,400
2.	Mr. Roma Ahuja	August 10, 2022	August 10, 2022	20,86,000	2,96,800

The Selling Shareholders confirms that, the Equity Shares being offered as a part of Offer for Sale have been held by him for a period of at least one year prior to filing of this Draft Prospectus in compliance with Regulation 8 of the SEBI (ICDR) Regulations.

### **In principle Listing Approvals**

Our Company has obtained in-principal approval from the SME Platform of BSE Limited for using its name in this Draft Prospectus pursuant to an approval letter dated [●] from BSE Limited is the Designated Stock Exchange.

### **PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

We confirm that our Company, Promoters, Promoter Group, Directors and Selling Shareholders have not been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group Directors or Selling Shareholders have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors nor Selling Shareholders or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoters or director.

Neither our Promoters, nor Promoter Group, nor any of our Directors nor Selling Shareholders is declared as Fugitive Economic Offender.

Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, nor Selling Shareholders are Wilful Defaulters or fraudulent borrowers.

### **PROHIBITION BY RBI**

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors nor Selling Shareholders or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrowers. by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled ***“Outstanding Litigations and Material Developments”*** beginning on page 159 of this Draft Prospectus.



## COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, the Promoters and the members of the Promoter Group nor Selling Shareholders are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Draft Prospectus.

## DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Outstanding Litigations and Material Developments*” beginning on page 159 respectively, of this Draft Prospectus.

## ELIGIBILITY FOR THE ISSUE

Our Company is an “unlisted issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible for the Issue in accordance with Regulation 228, 229(1) and 230 of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue paid up capital is less than or equal to ₹ 10 Crores 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 “SME Platform of BSE Limited”).

We confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the total issue size. For further details pertaining to said underwriting please refer to chapter titled “*General Information*” beginning on page 51 of this Draft Prospectus.

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we have entered into an agreement with the Lead Manager Selling Shareholders and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this Issue on the SME Platform of BSE Limited. For further details of the arrangement of market making please refer to chapter titled “*General Information*” beginning on page 51 and details of the Market Making Arrangements for this please refer to chapter titled “*The Issue*” beginning on page 46 of this Draft Prospectus.

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, 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 refunded forthwith. If such money is not repaid within eight 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 working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. 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.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of SME Platform of BSE Limited in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on December 18, 2008 with the Registrar of Companies, Madhya Pradesh and Chhattisgarh under the Companies Act, 1956 in India.
2. Our company has been funded by Yes Bank limited which makes it eligible for Listing on BSE SME as per the guidelines of BSE SME.
3. Our Company is engaged in the business of trading of minerals specially coal.
4. The Paid-Up Capital of the Company is ₹ 362.95 Lakhs comprising 36,29,500 equity shares.
5. The Post Issue Paid Up Capital (Face Value) of the company will be 422.71 Lakh comprising 42,27,100 Equity Shares. So, the company has fulfilled the criteria of Post Issue Paid Up Capital shall not be more than ₹ 1,000.00 Lakh.

6. The Net worth, Cash Accruals and Net Tangible Assets of the Company as per the Audited Restated Consolidated Financial Statements for the Financial Years ended on March 31, 2022, 2021 and 2020 are as set forth below:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Networth (1)	801.06	365.59	325.06
Cash Accruals (2)	587.44	40.51	18.89
Net Tangible Assets (3)	801.06	411.21	380.28

(1) Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

(2) Cash accruals has been defined as the Earnings before depreciation and tax from operations.

(3) Net Tangible Assets are defined as the sum of total assets minus current liabilities minus intangible assets

7. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated July 19, 2022 and National Securities Depository Limited (NSDL) dated July 11, 2022 for dematerialization of its Equity Shares already issued and proposed to be issued.
8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
10. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
11. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME Platform of BSE Limited.
14. The Company has a website [www.reetechinternational.com](http://www.reetechinternational.com)

We further confirm that we shall be complying with all other requirements as laid down for such 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.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE Limited.

#### COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

#### DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN**

**CONFORMITY WITH 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 AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 19, 2022.**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

**Note:**

The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Manager any irregularities or lapses in this Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Chhattisgarh in terms of Section 26 and 28 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY, THE DIRECTORS, THE SELLING SHAREHOLDERS AND THE LEAD MANAGER**

Our Company, the Directors, the Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than those contained in the Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.reetechinternational.com](http://www.reetechinternational.com) would be doing so at his or her own risk.

The Lead Manager to the Issue accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Lead Manager to the Issue, Selling Shareholders and our Company on August 10, 2022 and the Underwriting Agreement dated August 10, 2022 entered into between the Underwriters and our Company, Selling Shareholders and the Market Making Agreement dated August 10, 2022 entered into among the Market Maker and our Company.

All information shall be made available by our Company, Selling Shareholders and the Lead Manager to the Issue 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 Lead Manager to the Issue and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders, our Promoters, our Promoter Group, 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 Promoters, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

**CAUTION**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the Underwriters 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 Selling Shareholders, the Underwriters 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 Issue.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by M/s. Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Draft Prospectus and the website of the Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.com).

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are 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, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs 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 ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 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. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform him 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, Maharashtra, only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus will be filed at SME Platform of BSE Limited for its observations and BSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft 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.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

BSE Limited ("BSE") has vide its letter dated [●] given permission to "Reetech International Cargo and Courier Limited" to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME Platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the Equity Shares are offered by the Company and investors are informed to take the decision to invest in the Equity Shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the Equity Shares are offered by the Company is determined by the Company in consultation with the Merchant Banker to the Issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME Platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE / other regulatory authority. Any use of the SME Platform and the related services are subject to Indian laws and courts exclusively situated in Mumbai.

#### **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 Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S 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 Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or Sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING**

The Draft Prospectus is being filed with BSE Limited 20th Floor, P.J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra.

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Issue Document in terms of Regulation 246(5) the SEBI (ICDR) Regulations, 2018. However, a copy of the Prospectus will be furnished to the Board in a soft copy.

A copy of the Prospectus along with the documents required to be filed under Section 26 and 28 of the Companies Act, 2013 will be delivered to the ROC, Chhattisgarh situated at 1st Floor Ashok Pingley Bhawan, Municipal Corporation, Nehru Chowk, Bilaspur- 495001, Chhattisgarh, India.



## LISTING

Application have been made to SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is 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 of BSE Limited is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within such time prescribed by SEBI or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen percent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this issue document for listing of equity shares on SME Platform of BSE Limited.

## IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) 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.

## CONSENTS

Consents in writing of (a) Our Directors, Promoters, Selling Shareholders, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review Auditor and Statutory Auditor, Key Managerial Personnel, Banker(s) to the Company; (b) Lead Manager, Underwriters, Market Maker, Registrar to the Issue, Share Escrow Agent, Banker(s) to the Issue and Legal Advisor to the Issue to act in their respective capacities shall be obtained as required as required under Section 26 and 28 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC. Our Statutory Auditor holding Peer Reviewed Certificate has given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. Gupta Agarwal & Associates, Peer Review Auditor and Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on "Statement of Special Tax Benefits" relating to the possible tax benefits and restated financial statements as included in this Draft 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 this Draft Prospectus.

## EXPERT TO THE ISSUE

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

- Report of the Statement of Possible of Tax Benefits.

- Report of the Auditor on the Audited Restated Consolidated Financial Statements for the Financial Years ended on March 31, 2022, 2021 and 2020 of our Company dated August 13, 2022.

## **EXPENSES TO THE ISSUE**

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 77 of this Draft Prospectus.

## **DETAILS OF FEES PAYABLE**

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company, Selling Shareholders and the Registrar to the Issue dated August 10, 2022 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company, the Selling Shareholders and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue Price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION**

We have not made any previous rights and / or public issues since incorporation and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018.

## **CAPITAL ISSUES IN THE LAST THREE (3) YEARS BY LISTED GROUP COMPANIES / SUBSIDIARY / ASSOCIATES**

None of our Group Company / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years. We do not have any subsidiary as on date of this Draft Prospectus.

## **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 59 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.



## **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS.**

None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

## **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

## **LISTED SUBSIDIARY / PROMOTERS**

We do not have any listed Subsidiary or Promoter Company as on date of this Draft Prospectus.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

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

The Agreement between the Registrar, the Selling Shareholders and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company has appointed Bigshare Services Private Limited as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board vide resolution passed at the Board Meeting held on July 15, 2022. For further details, please refer to the chapter titled “*Our Management*” beginning on page 117 of this Draft Prospectus.

Our Company has appointed Ms. Chhaya Verma as Company Secretary and Compliance Officer and she may be contacted at the following address:

**Ms. Chhaya Verma**

**Reetech International Cargo and Courier Limited**

Sai Kunj Civil Lines, Raipur- 492001, Chhattisgarh, India.

**Tel:** + 91 77140 03800

**Email:** cs@reetechinternational.com

**Website:** www.reetechinternational.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

### **Disposal of Investor Grievances by Listed Companies under the same Management**

None of our Group Companies / Associates / Subsidiary are listed on any Stock Exchange as on the date of filing this Draft Prospectus.

## **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 59 of this Draft Prospectus, our Company has not capitalized its reserves or profits during the last five years.

## **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

## **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 Special Tax Benefits*” beginning on page 85 of this Draft Prospectus.

## **PURCHASE OF PROPERTY**

Other than as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus.

Except as stated elsewhere in this Draft Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

## **SERVICING BEHAVIOR**

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 pages 117 and 143 respectively of this Draft Prospectus 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**

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

## **SECTION XI: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN / Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, RoC and / or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and / or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors 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 Applicants 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"). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors ("UPI Phase III"), as may be prescribed by SEBI.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the 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 PRESENT ISSUE**

This Issue has been authorized by a resolution of our Board of Directors passed at their meeting held on July 15, 2022, subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the General Meeting. The shareholders have authorized the Issue by a Special Resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on August 01, 2022.

The Offer for Sale has been Authorized by the Selling Shareholders by their consent letter dated August 10, 2022 and the No. of Equity Shares offered are as follows:

Sr. No	Name of Selling Shareholders	Authorisation Letter dated	Consent Letter dated	No. of Equity Shares held	No. of Equity Shares Offered
1.	Mr. Mahendra Ahuja	August 10, 2022	August 10, 2022	15,43,150	2,20,400
2.	Ms. Roma Ahuja	August 10, 2022	August 10, 2022	20,86,000	2,96,800

The Selling Shareholders have confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and it has not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholders has also confirmed that he is the legal and beneficial owner of the Equity Shares being offered by him under the Offer for Sale.

## **RANKING OF EQUITY SHARES**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our MoA and AoA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, '*Main Provisions of Article of Association*', beginning on page 209 of this Draft Prospectus.

## **MODE OF PAYMENT OF DIVIDEND**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection there to and as per the recommendation 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 dividend, in cash as per the provisions of the Companies Act and our Articles of Association. For further details in relation to dividends, please refer to sections titled, '*Dividend Policy*' and '*Main Provisions of Article of Association*', beginning on page 144 and 209 respectively, of this Draft Prospectus.

## **FACE VALUE AND ISSUE PRICE**

The face value of the share of our Company is ₹10.00 per equity share and the issue price is ₹105.00 per Equity Share (including premium of ₹95.00 per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, '*Basis for Issue Price*', beginning on page 83 of this Draft Prospectus.

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 ICDR REGULATIONS**

Our Company shall comply with all requirements of the ICDR Regulations, as amended time to time.

## **COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS**

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 AoA, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive annual reports and 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, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Issue 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, subject to applicable laws, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.

For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, etc., please refer to Section titled, '**Main Provisions of the Articles of Association**', beginning on page 209 of this Draft Prospectus.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated **July 11, 2022** between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated **July 19, 2022** between CDSL, our Company and Registrar to the Issue.

The ISIN no of the company is INE0MKO01015

#### **MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE 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 1,200 Equity Share subject to a minimum allotment of 1,200 Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

#### **MINIMUM NUMBER OF ALLOTTEES**

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 Working Days of closure of Issue.

#### **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 First / Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, 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 this section shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors 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 days, the



Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## ISSUE PROGRAM

<b>Issue Opens on</b>	[●]
<b>Issue Closes on</b>	[●]
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	[●]
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*</b>	[●]
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	[●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	[●]

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the 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.

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 Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Investors on Issue Closing Date maybe extended in consultation with the Lead Manager, Registrar and Share Transfer Agent and SME platform of BSE Limited 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 Application Forms on the Issue Closing Date, Applicants are advised to submit their applications 1(one) day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issue, some Application Forms may not get uploaded due to the lack of sufficient time. Such 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, the Selling Shareholders nor the Lead Manager is liable for any failure in uploading the Application Forms due to faults in any software / hardware system or otherwise.

In accordance with 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 Investors can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Investors, 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 Application Form, for a particular Applicant, the details as per the file received from SME platform of BSE Limited 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 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.

## **MINIMUM SUBSCRIPTION**

In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1.00 Lakhs (Rupees One Lakhs) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 1200 Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, 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 SME platform of BSE.

## APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS

It is to be understood that there is no reservation for Eligible NRIs or FPIS / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIS / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

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.

## AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.

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 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 03, 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 Application Form, the OCB shall be eligible to be considered for Equity Share 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 Promoters minimum contribution in the Issue as detailed in the Section titled, '*Capital Structure*', beginning on page 59 of this Draft Prospectus, and except as provided in the AoA of our Company, there are no restrictions on transfer and transmission and on their consolidation / splitting of Equity Shares. For further details, please refer to the Section titled, '*Main Provisions of the Articles of Association*', beginning on page 209 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company, the Selling Shareholders and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company, the Selling Shareholders and the Lead Manager are not liable to inform the Applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## NEW FINANCIAL INSTRUMENTS

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

## ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

In accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

## MIGRATION TO MAIN BOARD

BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of BSE Limited for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Platform of BSE Limited on a later date subject to the following:

- If the Paid-up Capital of the Company is likely to increase above ₹ 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 promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE 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 ₹ 10 crores but below ₹ 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 promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than Promoters shareholders against the proposal.

## MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE Limited, wherein the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME platform of BSE for a minimum period of 3 years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, '*General Information - Details of the Market Making Arrangements for this Issue*', beginning on page 51 of this Draft Prospectus.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Raipur, Chhattisgarh 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 to, or for the account or benefit of "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue face value capital is less than or equal to ten crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the SME platform of BSE Limited. For further details regarding the salient features and terms of such this issue, please refer to chapter titled ***"Terms of the Issue"*** and ***"Issue Procedure"*** beginning on page 179 and 189 respectively of this Draft Prospectus.

The present issue of 11,14,800 Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ 105.00 per Equity Share (including a premium of ₹ 95.00 per Equity Share) aggregating to ₹ 1,170.54 Lakhs.

The Issue comprises a reservation of 56,400 Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ 105.00 per Equity Share (including a premium of ₹ 95.00 per Equity Share) aggregating to ₹ 59.22 Lakhs for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Issue to Public of 10,58,400 Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ 105.00 per Equity Share (including a premium of ₹ 95.00 per Equity Share) aggregating to ₹ 1,111.32 Lakhs (the Net Issue). The Issue and the Net Issue will constitute 26.37% and 25.04% respectively of the Post Issue Paid-up Equity Share Capital of the Company.

Particulars of the issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	10,58,400 Equity Shares	56,400 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.94% of the issue Size 25.04% of the Post Issue Paid up Capital	5.06% of the issue Size 1.33% of the Post issue Paid up Capital
<b>Basis of Allotment / Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 1,200 Equity Shares and further allotment in multiples of 1,200 Equity Shares each.  For further details please refer to <b><i>"Basis of Allotment"</i></b> under chapter titled <b><i>"Issue Procedure"</i></b> beginning on page 189 of this Draft Prospectus.	Firm Allotment
<b>Minimum Application Size</b>	<b>For Other than Retail Individual Investors:</b>  Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value exceeds ₹ 2.00 Lakhs.  <b>For Retail Individuals Investors:</b>  1,200 Equity Shares	56,400 Equity Shares
<b>Maximum Application Size</b>	<b>For Other than Retail Individual Investors:</b>  The maximum application size is the Net Issue to Public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b>For Retail Individuals Investors:</b>  1,200 Equity Shares at an Issue Price of ₹ 105.00 per Equity Share. Such that the Application Value does not exceeds ₹ 2.00 Lakhs.	56,400 Equity Shares
<b>Trading Lot</b>	1,200 Equity Shares	1,200 Equity Shares. However, the Market Makers may accept odd lots if

		any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for UPI Applicants using Syndicate ASBA).	
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.	
<b>Terms of Payment</b>	<p>The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two days of the closure of the issue.</p> <p>In case of UPI as an alternate mechanism, Application amount shall be blocked at the time of confirmation of mandate collection request by applicant.</p>	

In case of UPI as an alternate mechanism, Application amount shall be blocked at the time of confirmation of mandate collection request by applicant.

\*Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum fifty per cent to retail individual investors; and
- b) Remaining to:
  - i. individual applicants other than retail individual investors; and
  - ii. other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage.

For further information on the Allocation of Net issue to Public, please refer to chapter titled “*The Issue*” beginning on page 46 of this Draft Prospectus.

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company and Selling Shareholders, in consultation with Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company and Selling Shareholders withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company and Selling Shareholders withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## JURISDICTION

Exclusive jurisdiction for the purpose of this issue is with the competent courts / authorities at Raipur, Chhattisgarh.

## ISSUE PROGRAMME

<b>Issue Opening Date</b>		●
<b>Issue Closing Date</b>		●

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 Centres mentioned in the Application Form except that on the Issue Closing Date applications will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time).

Standardization of cut-off time for uploading of applications on the Issue Closing Date:

- A standard cut-off time of 3:00 p.m. for acceptance of applications.
- A standard cut-off time of 4:00 p.m. for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5:00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by Lead Manager to BSE 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 Application Form, for a particular applicant, the details as per physical application form of that Applicant 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), on which the commercial banks in the city as notified in the offer document are open for business.



## **ISSUE PROCEDURE**

*All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of 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 (xiv) interest in case of delay in Allotment or refund.*

*SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 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/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Draft Prospectus.*

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.*

*Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their application are submitted in accordance with applicable laws and 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 Draft Prospectus and the Prospectus.*



*This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form. Further, the Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

### **Phased implementation of Unified Payments Interface**

SEBI has issued circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under 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 payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the 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 still, 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 RIBs 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 Applicants into the UPI payment mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Reg. 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non-Retail Category i.e., QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa

subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications 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 Applicants 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 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 Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number / UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants 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 Exchanges.**

## APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide either (i) the bank account details and authorisation to block funds their respective ASBA Form, or (ii) the UPI ID (in case of RIIs), as applicable, in the relevant space provided in the Application Form and the Application Forms that do not contain such details will be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to apply using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White

<sup>(1)</sup> Excluding electronic Application Form

Designated Intermediaries (other than SCSBs) shall submit / deliver the Application Form (except the Application Form from a RII bidding using the UPI Mechanism) to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchange. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchange. Stock Exchange shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Application details already uploaded.

For RIIs using UPI Mechanism, the Stock Exchange shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The

NPCI shall maintain an audit trail for every bid entered in the Stock Exchange applying platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Banks and the Bankers to the Issue. The LM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

### **Electronic registration of Applications**

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Issue on a regular basis before the closure of the Issue.

On the Issue Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchanges and as disclosed in the Prospectus.

Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation / Allotment. The Designated Intermediaries are given till 1:00 pm on the next working day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing,

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. 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 Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. 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.**

### **Who Can Apply?**

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- Scientific and / or industrial research organizations in India, which are authorised to invest in equity shares; and
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

### **PARTICIPATION BY ASSOCIATES / AFFILIATES OF LEAD MANAGER, PROMOTERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTERS / PROMOTER GROUP**

The LM shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Applicants. Such Applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the LM or any associates of the LM, except Mutual Funds sponsored by entities which are associates of the LM or insurance companies promoted by entities which are associate of LM or AIFs sponsored by the entities which are associate of the LM or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the LM nor; (ii) any “person related to the Promoters and members of the Promoter Group” shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters and members of the Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

#### **APPLICATION BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. The Applications 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.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with the SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that such Applications clearly indicate the scheme concerned for which the Application is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any 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.

#### **APPLICATION by HUFs**

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the 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”. Applications by HUFs may be considered at par with Applications from individuals.

#### **APPLICATION BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm / accept the UPI Mandate Request (in case of RIIs using the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm / accept the UPI Mandate Request (in case of RIIs applying using the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA regulations. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such Application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

For details of investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 208 of this Draft Prospectus. Participation of eligible NRIs shall be subject to NDI Rules

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

#### **APPLICATION BY FPI and FIIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI shall be less than 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs could be up to 100%, being the sectoral cap, of the paid-up Equity Share capital of our Company on a fully diluted basis.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI 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.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Applications from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“MIM Structure”), provided such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Applications received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Applications, FPIs making multiple Applications 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 Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications are liable to be rejected.

Further, in the following cases, the Applications by FPIs will not be considered as multiple Applications: involving

- (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation;
- (ii) offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments;
- (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- (iv) 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;
- (v) multiple branches in different jurisdictions of foreign bank registered as FPIs;
- (vi) Government and Government related investors registered as Category 1 FPIs; and
- (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a



special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Issue shall be subject to the FEMA Rules

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS (VCF) AND FOREIGN VENTURE CAPITAL INVESTORS (FVCI)**

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. 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 their investible funds in one investee company. A category III AIF cannot invest more than 10% of their investible funds 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 their investible funds 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.

Participation of AIFs, VCFs and FVCIs was subject to the FEMA Rules

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications 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 Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

## APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations") are set forth below:

- a) Equity shares of a company: the lower of 10% (1) of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;
- b) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, 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 points (i), (ii) or (iii) above, as the case may be.

*\* The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("IRDA Investment Regulations").

## APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of applications made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹ 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

## APPLICATIONS BY BANKING COMPANIES

In case of Applications 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 Application Form, failing which our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, as amended is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if

- (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or
- (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company.



The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make

- (i) investment in excess of 30% of the paid-up share capital of the investee company,
- (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and
- (iii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Further, the aggregate investment by a banking company in subsidiary and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

#### **APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by systemically important non-banking financial companies registered with RBI, 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 certificates from its statutory auditor(s), and such other approval as may be required by the Systemically Important NBFCs must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves 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 regulations, guidelines and circulars issued by RBI from time to time.

#### **APPLICATIONS BY SCSBS**

SCSBS participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBS are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBS. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

**The information set out above is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Prospectus and the Prospectus.**

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million (subject to applicable laws), 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, as applicable, must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company in consultation with the LM, may deem fit.

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure any single Application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus or the Prospectus**

**In accordance with RBI regulations, OCBs cannot participate in the Issue.**

## INFORMATION FOR THE APPLICANTS

In addition to the instructions provided to the Applicants in the General Information Document for Investing in Public Issues, Applicants are requested to note the following additional information in relation to the Issue.

1. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten working days. The Issue Period may be extended, if required, by an additional three working days, subject to the total Issue Period not exceeding ten working days
2. The relevant Designated Intermediary will enter each Application into the electronic bidding system as a separate Application and generate an acknowledgement slip ("Acknowledgement Slip"), for each price and demand option and give the same to the Applicant. Therefore, an Applicant can receive up to three Acknowledgement Slips for each Application Form. It is the Applicant's responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When an Applicant revises his or her Application (in case of revision in the Price), he / she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.
3. In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the electronic bidding 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 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 compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 Draft Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
4. In the event of an upward revision in the Price, Retail Individual Applicants could either (i) revise their Application or (ii) shall make additional payment based on the revised Price (such that the total amount i.e., original Application Amount plus additional payment does not exceed ₹ 2 Lakhs. The revised Applications must be submitted to the same Designated Intermediary to whom the original Application was submitted. If the total amount (i.e., the original Application Amount plus additional payment) exceeds ₹ 2 Lakhs, the Applicant will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Applicant does not either revise the Application or make additional payment the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Applicant and the Retail Individual Applicant is deemed to have approved such revised Application.
5. In the event of a downward revision in the Price, Retail Individual Applicant may revise their application; otherwise, the excess amount paid at the time of Application would be unblocked after Allotment is finalised.
6. Any revision of the Application shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Application.

The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

## PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. 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 XIII of the SEBI Regulations.

## **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company, the Lead Manager, the Selling Shareholders and the Market Maker have entered into an Underwriting Agreement on August 10, 2022.
- b) For terms of the Underwriting Agreement please see chapter titled “**General Information**” beginning on page 51 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26 and 28 and all other provision applicable as per Companies Act.

## **FILING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 and 28 of Companies Act, 2013.

- a) Designated Date and Allotment of Equity Shares 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.
- b) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.
- c) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within the time prescribed under applicable law. The Issuer also ensures the credit of shares to the successful Applicants 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 6 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## **AVAILABILITY OF THE PROSPECTUS AND THE APPLICATION FORMS:**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

## **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their application(s) or lower the size of their application(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their application(s) during the Issue Period and withdraw their application(s) until Issue Closing Date.

### **Do's:**

1. Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their bids through the ASBA process only;
2. Ensure that you have apply within the Issue Price;

3. Read all the instructions carefully and complete the Application Form in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RII bidding using the UPI Mechanism in the Application Form and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;
6. RIIs Applying in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIIs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
7. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
8. In case of joint Applications, ensure that first applicant 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 Application Form;
9. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
10. Ensure that you request for and receive a stamped acknowledgement of the Application Form;
11. Ensure that the name(s) given in the 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 Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms. PAN of the First Applicant is required to be specified in case of joint Applications;
12. Ensure that you submit the revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
13. Retail Individual Investors not using the UPI Mechanism, should submit their Application Form directly with SCSBs and not with any other Designated Intermediary;
14. Except for Applications (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, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral / bilateral institutions, and (iii) Applications 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 Applicants 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;
15. 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;
16. Ensure that the correct investor category and the investor status is indicated in the Application Form;
17. Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

18. Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
19. Application by Eligible NRIs for an Amount of less than ₹ 2 Lakhs would be considered under the Retail Category for the purposes of allocation and Applications for an Amount exceeding ₹ 2 Lakhs would be considered under the Non-Institutional Category for allocation in the Issue;
20. Since the allotment will be in dematerialised form only, ensure that the Applicant's depository account is active, the correct DP ID, Client ID, PAN and UPI ID, if applicable, are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID, PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
21. In case of ASBA Applicants (other than Retail Individual Applicants using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in an Applying Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
22. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date;
23. Once the Sponsor Bank issues the UPI Mandate Request, the Retail Individual Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
24. Ensure that you have correctly signed the authorisation / undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application. Bid In case of RIIs submitting their applications and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Issue Amount and subsequent debit of funds in case of Allotment;
25. Ensure that you have correctly signed the authorization / undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
26. Retail Individual Applicants using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his / her UPI PIN. Upon the authorization of the mandate using his / her UPI PIN, a Retail Individual Applicant shall be deemed to have verified the attachment containing the application details of the Retail Individual Applicant in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
27. However, Applications received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
28. FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Applications are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications shall be rejected;
29. Retail Individual Applicants using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner and
30. Ensure that the Demographic Details are updated, true and correct in all respects;



The Application Form were liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 were liable to be rejected.

**Don'ts:**

1. Do not apply for lower than the minimum Application size;
2. Do not submit an application using UPI ID, if you are not a RII;
3. Do not Apply for an Amount exceeding ₹ 2.00 Lakhs (for Applications by Retail Individual Applicants).
4. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
5. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not Apply at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
8. Do not submit the Applications for an amount more than funds available in your ASBA account.
9. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
10. In case of ASBA Applicants, do not submit more than one ASBA Forms per ASBA Account;
11. If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
12. If you are a Retail Individual Applicant and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
13. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
14. Do not Apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
15. Do not submit the General Index Register (GIR) number instead of the PAN;
16. Do not submit incorrect details of the DP ID, Client ID PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
17. Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
18. Do not Apply 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);
19. Do not submit an application / revise an Issue Amount, with a price less than the Issue Price;
20. Do not submit your Apply after 3.00 pm on the Issue Closing Date;
21. If you are a QIB, do not submit your application after 3:00 pm on the QIB Issue Closing Date;
22. Do not fill up the Application Form such that the Equity Shares Application for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Prospectus;

23. Do not Apply for shares more than specified by respective Stock Exchanges for each category;
24. Do not Apply, if you are an OCB;
25. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by RIIs using the UPI Mechanism;
26. Do not Apply on another Application Form after you have submitted an application to any of the Designated Intermediaries; and
27. Do not submit Applications to a Designated Intermediary at a location other than Specified Locations. If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs.;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates / demat credit / refund orders / unblocking etc., investors can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “**General Information**” beginning on page 51 on this Draft Prospectus

For helpline details of the LM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “**General Information**” beginning on page 51 on this Draft Prospectus

## **GROUND S FOR REJECTIONS**

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document for Investing in Public Issue” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
3. Applications submitted on a plain paper;
4. Applications submitted by Retail Individual Applicants using the UPI Mechanism through an SCSBs and / or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Applications under the UPI linked Mechanism submitted by Retail Individual Applicants using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Application submitted without the signature of the First Applicant or sole Applicants;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Applicant;
9. ASBA Form by the RIIs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Application by Retail Individual Applicants with Application Amount for a value of more than ₹ 2,00,000/-
13. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Applications by Applicants accompanied by cheques, demand drafts, stock invest, money order, postal order or cash;



15. Applications uploaded by QIBs after 4.00 p.m. on the QIB Issue Closing Date and by Non-Institutional Applicants uploaded after 4.00 p.m. on the Issue Closing Date, and Applications by Retail Individual Applicants uploaded after 5.00 p.m. on the Issue Closing Date, unless extended by the Stock Exchanges; and
16. Application by OCB.

#### **ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants 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 Applicant.

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

In addition to the instructions for completing the Application Form provided in the sub-section “General Information Document for Investing in Public Issue – Applying in the Issue – Instructions for filing the Application Form / Application Form” Applicants are requested to note the additional instructions provided below.

- i. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- ii. Applications must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus and in the Application Form.
- iii. Applications on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

#### **DESIGNATED DATE AND ALLOTMENT**

- a) Our Company will ensure that the Allotment and credit to the successful Applicants’ depository account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- c) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

#### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME**

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of over-subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 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”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

1. If our Company does not proceed with the Issue after the Issue Closing Date but before allotment, then the reason thereof shall be given as a public notice within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
3. That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date or such other period as may be prescribed;
4. If Allotment is not made, application monies will be refunded / unblocked in the ASBA Accounts within the time prescribed under applicable law or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15.00% per annum for the delayed period;
5. That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;
6. That the Promoters’ contribution in full, if applicable, shall be brought in advance before the Issue opens for subscription
7. That funds required for making refunds to unsuccessful applicants as per mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;

8. No further Issue of Equity Shares shall be made until the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
9. That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
11. That the allotment of securities / refund confirmation to Eligible NRIs shall be dispatched within specified time;
12. That adequate arrangements shall be made to collect all Application Forms from Applicants; and
13. That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges.

#### **UNDERTAKING BY THE SELLING SHAREHOLDERS**

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholders in this Draft Prospectus shall be deemed to be “statements and undertakings made by the Selling Shareholders”. All other statements and / or undertakings in this Draft Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholders. The Selling Shareholders specifically confirms and undertakes the following in respect of himself and the Equity Shares being offered by him pursuant to the Offer for Sale:

1. The portion of the offered Shares shall be transferred in the Issue free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, in a manner prescribed under Applicable Law in relation to the Issue, and without any objection by it and in accordance with the instructions of the Registrar to the Issue.
2. The portion of the offered Shares have been held by the Selling Shareholders for a minimum period of one year prior to the date of filing this Draft Prospectus, such period determined in accordance with Regulation 8 of the SEBI (ICDR) Regulations.
3. They are the legal and beneficial owners and has full title of its respective portion of the offered Shares.
4. That they shall provide all reasonable co-operation as requested by our Company and the Lead Manager in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of his portion of the offered Shares.
5. They will not have recourse to the proceeds of the Offer for Sale, until approval for final listing and trading of the Equity Shares is received from the Stock Exchanges.
6. They will deposit his respective portion of the offered Shares in an escrow account opened with the Share Escrow Agent prior to filing of this Draft Prospectus with the RoC.
7. They shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making an Application in the Issue, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes an Application in the Issue, except as permitted under applicable law;
8. That they will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the Lead Manager in redressal of such investor grievances that pertain to the Equity Shares held by him and being offered pursuant to the Issue.

The Selling Shareholders has authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Issue to redress any complaints received from Applicants in respect of the Offer for Sale

## UTILIZATION OF NET PROCEEDS

Our Company specifically confirms and declares that:

- a) All monies received out of the Issue of specified securities to public shall be credited / transferred to separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- b) Details of all monies utilized out of the Issue referred to in sub-item(i) shall be disclosed and continue to be disclosed till the time any part of the Fresh Issue proceeds remains un-utilised under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised and;
- c) Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under the appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy and FEMA has been entrusted to the concerned ministries / departments.

The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which is effective from October 15, 2020 (the “FDI Policy”), which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors / activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. For details, see “**Key Regulations and Policies**” beginning on page 105 of this Draft Prospectus.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines 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 FDI 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. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.

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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. The above information is given for the benefit of the Applicants. Our Company, the Selling Shareholders and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## **SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT 2013**  
(Incorporated under Companies Act, 1956)

### **COMPANY LIMITED BY SHARES**

#### **ARTICLES OF ASSOCIATION\***

**OF**

**\*#REETECH INTERNATIONAL CARGO AND COURIER LIMITED**  
(Formerly known as M R Agriculture Private Limited)

\*The following regulations comprised in these Articles of Association were adopted pursuant to Special resolution passed at the Extra Ordinary General Meeting of the Company held on June 15, 2020 in substitution for and to the entire exclusion of the earlier Articles of Association.

\*#As amended by passing special resolution passed by shareholder at the Extraordinary General Meeting of the company held on February 15, 2022.

#### **PRELIMINARY**

The Regulations contained in Table “F” in the Schedule I to the Companies Act, 2013, shall apply to the Company except in as far as otherwise expressly incorporated hereinafter.

#### **I. INTERPRETATION**

(1) In these regulations

- (a) "the Act" means the Companies Act, 2013,
- (b) "the seal" means the common seal of the company.

(2) 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.

The company is a public company within the meaning of Section 2(71) of the Companies Act 2013 and accordingly a public company means a company which-

- (a) Is not a private company.
- (b) Has a minimum paid up capital as may per prescribed time to time.

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be a public company for the purpose of this Act even where such subsidiary company continues to be a private company in its articles

(3) As per Section-2 (55) of Companies Act, 2013, Member's in relation to a company, means:

- (i) The subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;
- (ii) Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;
- (iii) Every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository.

## II. SHARE CAPITAL AND VARIATION OF RIGHTS

- (1) 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.
- (2) (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 one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:-
 

one certificate for all his shares without payment of any charges; or

Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) 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
- (3) (i) 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.
- (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
- (4) 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.
- (5) (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.
- (6) (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.
- (7) 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.
- (8) Subject to the provisions of section 55, any preference shares may, with the sanction of an 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.

### **III. LIEN**

- (9) (i) The company shall have a first and paramount lien-
  - 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:

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.
- (10) 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.
- (11) (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.
- (12) (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.

### **IV. CALLS ON SHARES**

- (13) (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 share 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
- (14) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
- (15) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- (16) (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.
- (17) (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 or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- (18) 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.

## **V. TRANSFER OF SHARES**

- (19) (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.
- (20) The Board may, subject to the right of appeal conferred by section 58 decline to register-
  - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) any transfer of shares on which the company has a lien.
- (21) The Board may decline to recognise any instrument of transfer unless
  - (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) 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

- (c) the instrument of transfer is in respect of only one class of shares.
- (22) 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.

## **VI. TRANSMISSION OF SHARES**

- (23) (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.
- (24) (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-
  - to be registered himself as holder of the share; or
  - 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.
- (25) (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.
- (26) 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.

## **VII. FORFEITURE OF SHARES**

- (27) 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.
- (28) The notice aforesaid shall-

- (a) 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
  - (b) 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.
- (29) 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.
- (30)
  - (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.
- (31)
  - (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.
- (32)
  - (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 a transfer of the share in favour of the person to whom the share is sold or disposed of;
  - (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.
- (33) The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.

## **VIII. ALTERATION OF CAPITAL**

- (34) 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.
- (35) Subject to the provisions of section 61, the company may, by ordinary resolution:-
  - (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

- (d) 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.
- (36) Where shares are converted into stock:-
- (a) 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.
  - (b) 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.
  - (c) Such of the regulations 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.
- (37) The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

## IX. CAPITALISATION OF PROFITS

- (38) (i) The company in general meeting may, upon the recommendation of the Board, resolve-
- 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
- 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-
- paying up any amounts for the time being unpaid on any shares held by such members respectively;
- paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- 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;
- The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

- (39) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-  
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  
Generally, do all acts and things required to give effect thereto.
- (ii) The Board shall have power-  
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 in fractions; and  
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.

#### **X. BUY-BACK OF SHARES**

- (40) 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.

#### **XI. GENERAL MEETINGS OF THE BOARD**

- (41) All general meetings other than annual general meeting shall be called extraordinary general meeting.
- (42) (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) 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.

#### **XII. PROCEEDINGS AT GENERAL MEETINGS**

- (43) (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) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- (44) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- (45) 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.
- (46) 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.

#### **XIII. ADJOURNMENT OF MEETING**

- (47) (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.

#### **XIV. VOTING RIGHTS**

- (48) Subject to any rights or restrictions for the time being attached to any class or classes of shares: -
  - (a) on a show of hands, every member present in person shall have one vote; and
  - (b) 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.
- (49) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- (50) (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.
- (51) 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.
- (52) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- (53) 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
- (54) (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.

#### **XV. PROXY**

- (55) 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.
- (56) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- (57) 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.

## **XVI. BOARD OF DIRECTORS**

- (58) The names of the first directors are as follows: -
1. Shri Mahendra Ahuja
  2. Smt Roma Ahuja
- (59) (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
- in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- in connection with the business of the company
- (60) The Board may pay all the expenses incurred in getting up and registering the company.
- (61) 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 think fit respecting the keeping of any such register.
- (62) 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.
- (63) 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.
- (64) (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.

## **XVII PROCEEDINGS OF THE BOARD**

- (65) (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- (66) (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

- (67) 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.
- (68) (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) 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.
- (69) (i) 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.
- (ii) 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.
- (70) (i) A committee may elect a Chairperson of its meetings.
- (ii) 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.
- (71) (i) A committee may meet and adjourn as it thinks fit.
- (ii) 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.
- (72) 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.
- (73) 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.

**XVII. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

- (74) Subject to the provisions of the Act, -
  - (i) 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 think 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;
  - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (75) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary 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.

**XIX. THE SEAL**

- (76) (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## **XX. DIVIDENDS AND RESERVES**

- (77) The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- (78) 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.
- (79) (i) 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 equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- (80) (i) 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.
- (ii) 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.
- (iii) 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.
- (81) 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.
- (82) (i) 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.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (83) 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.
- (84) 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.
- (85) No dividend shall bear interest against the company.

- (86) No unclaimed or unpaid dividend shall be forfeited by the Board and dividends unclaimed or unpaid will be dealt with as per the provisions of Section 123 and 124 or other provisions if any of the Act as may be applicable from time to time.

## **XXI. ACCOUNTS**

- (87) (i) 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.
- (ii) 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.

## **XXII WINDING UP**

- (88) Subject to the provisions of Chapter XX of the Act and rules made thereunder-
- (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 other securities whereon there is any liability.

## **XXII INDEMNITY**

- (89) 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 Tribunal.

### **SECTION XIII: OTHER INFORMATION**

#### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the Registrar of Companies for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at "Sai Kunj" Civil Lines, Raipur- 492001, Chhattisgarh, India from date of this Draft Prospectus until the date of closing of the subscription list on all Working Days (Monday to Friday) from 10.00 a.m. to 5.00 p.m.

#### **A. MATERIAL CONTRACT**

1. Memorandum of Understanding dated August 10, 2022 between our Company, the Selling Shareholders and the Lead Manager.
2. Registrar to the Issue Agreement dated August 10, 2022 between our Company, the Selling Shareholders and the Registrar to the Issue.
3. Underwriting Agreement dated August 10, 2022 between our Company, the Selling Shareholders, the Lead Manager and Underwriters.
4. Market Making Agreement dated August 10, 2022 between our Company, Lead Manager and Market Maker.
5. Banker to the Issue Agreement dated [●] between our Company, the Selling Shareholders, the Lead Manager, Banker to the Issue / Sponsor Bank and Registrar to the Issue.
6. Share Escrow Agreement dated [●] between our Company, the Selling Shareholders, the Lead Manager and the Share Escrow Agent.
7. Tripartite agreement between the National Securities Depository Limited, our Company and the Registrar dated July 11, 2022.
8. Tripartite agreement between the Central Depository Services (India) Limited, our Company and the Registrar July 19, 2022.

#### **B. MATERIAL DOCUMENTS**

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation dated December 18, 2008 issued by Registrar of Companies, Madhya Pradesh and Chhattisgarh.
3. Fresh Certificate of Incorporation dated July 15, 2020 issued by Registrar of Companies, Chhattisgarh consequent upon Change of Name.
4. Fresh Certificate of Incorporation dated April 12, 2022 issued by Registrar of Companies, Chhattisgarh consequent to conversion to Public Limited Company
5. Resolution of the Board of Directors of our Company, passed at the Meeting of the Board of Directors held on July 15, 2022 in relation to the Issue.
6. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with a shorter notice on August 01, 2022 relation to the Issue.
7. The Statement of Special Tax Benefits dated August 13, 2022 issued by the Statutory Auditor included in this Draft Prospectus.

8. Statutory Auditor's report for Restated Consolidated Financials dated August 13, 2022 included in this Draft Prospectus.
9. Consents of the Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Selling Shareholders, Lead Manager to the Issue, Legal Advisor to the Issue, Registrar to the Issue, Share Escrow Agent, Underwriters to the Issue and Market Maker to the Issue to include their names in the Draft Prospectus to act in their respective capacities.
10. Due Diligence Certificate dated [●] addressed to SEBI from Lead Manager.
11. Approval from BSE Limited vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on SME Platform of BSE Limited.

Any of the contracts or documents mentioned in this Draft 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, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant provisions.

## **DECLARATION**

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 (to the extent notified) and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

### **SIGNED BY ALL THE DIRECTORS OF OUR COMPANY**

<b>NAME AND DESIGNATION</b>	<b>SIGNATURE</b>
<b>MR. MAHENDRA AHUJA</b> Managing Director DIN: 00247075	Sd/-
<b>MS. ROMA AHUJA</b> Executive Director DIN: 00247153	Sd/-
<b>MR. VIJAY KUMAR KHILNANI</b> Non- Executive Director DIN: 09308716	Sd/-
<b>MR. MANISH KUMAR</b> Independent Director DIN: 09614422	Sd/-
<b>MR. MUKESH CHANDWANI</b> Independent Director DIN: 09616819	Sd/-

### **SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY**

Sd/-  
**MR. SHAKTI SINHA**  
Chief Financial Officer  
PAN: BNSPS4790R

Sd/-  
**MS. CHHAYA VERMA**  
Company Secretary & Compliance Officer  
PAN: AIGPV1082K

**Place:** Raipur  
**Date:** August 19, 2022



### **DECLARATION BY THE SELLING SHAREHOLDERS**

The undersigned Selling Shareholders hereby certifies that all statements and undertakings made in this Draft Prospectus about or in relation to itself and the Equity Shares being offered by it in the Issue are true and correct, provided however, that the undersigned Selling Shareholders assumes no responsibility for any of the statements or undertakings made by the Company or Selling Shareholders or any expert or any other person(s) in this Draft Prospectus.

Sd/-

**Mr. Mahendra Ahuja**

PAN: AGBPA6989K

**Place:** Raipur

**Date:** August 19, 2022

Sd/-

**Mr. Roma Ahuja**

PAN: AFFPA3611K

**Place:** Raipur

**Date:** August 19, 2022

## ANNEXURE – A

### DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES LIMITED

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (In ₹)	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	Billwin Industries Limited	2.46	37.00	June 30, 2020	36.90	11.86, [8.08]	1.08, [8.78]	7.68, [34.53]
2	G M Polyplast Limited	8.09	159.00	October 14, 2020	160.00	4.48, [6.49]	0.30, [21.38]	5.55, [17.38]
3	Niks Technology Limited	2.01	201.00	March 31, 2021	202.10	5.42, [-1.47]	71.06, [6.14]	-0.99, [21.35]
4	PlatinumOne Business Services Limited	3.89	82.00	September 16, 2021	99.95	144.42, [3.66]	77.31, [-2.29]	57.29, [-5.69]
5	Markolines Traffic Controls Limited	39.99	78.00	September 27, 2021	62.20	4.13, [1.77]	-9.65, [-4.92]	14.24, [-4.52]
6	Clara Industries Limited	3.02	43.00	December 29, 2021	43.20	68.75, [-1.05]	106.82, [0.24]	127.84, [-8.04]
7	Goel Food Products Limited	7.21	72.00	June 28, 2022	75.00	12.70, [6.92]	N.A.	N.A.
8	Sailani Tours N Travels Limited	1.90	15.00	July 08, 2022	15.50	179.35, [7.17]	N.A.	N.A.
9	Jayant Infratech Limited	6.19	67.00	July 13, 2022	76.00	218.92, [11.12]	N.A.	N.A.
10	B-Right RealEstate Limited	44.36	153.00	July 13, 2022	155.00	-5.19, [11.12]	N.A.	N.A.

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

Note:

- a) The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
- b) Price on BSE / NSE are considered for all the above calculations.
- c) In case 30th, 90th and 180th day is not a trading day, the price / index of the immediately preceding working day has been considered.
- d) In case 30th, 90th and 180th day, scripts are not traded then the share price is taken of the immediately preceding trading day.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

## SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total Funds Raised ('in Cr.)	No. of IPOs trading at Discount-30th calendar day from listing day			No. of IPOs trading at Premium-30th calendar day from listing day			No. of IPOs trading at Discount-180th calendar day from listing day			No. of IPOs trading at Premium-180th calendar day from listing day		
			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%
2020-21	*3	12.56	--	--	--	--	--	3	--	--	1	--	--	2
2021-22	**3	46.39	--	--	--	2	--	1	--	--	--	2	--	1
2022-23	***4\$	59.66	--	--	1	2	--	1	--	--	--	--	--	--

Upto August 19, 2022

\* The script with Listing date Billwin Industries Limited (June 30, 2020), G M Polyplast Limited (October 14, 2020) and Niks Technology Limited (March 31, 2021).

\*\*The script with Listing date PlatinumOne Business Services Limited (September 16, 2021), Markolines Traffic Controls Limited (September 27, 2021) and Clara Industries Limited (December 29, 2021)

\*\*\*The script with Listing date Goel Food Products Limited (June 28, 2022), Sailani Tours N Travels Limited (July 08, 2022), Jayant Infratech Limited (July 13, 2022) and B-Right RealEstate Limited (July 13, 2022)

\$ The scripts of Goel Food Products Limited, Sailani Tours N Travels Limited, Jayant Infratech Limited and B-Right RealEstate Limited have not completed 180 Days from the date of listing.