



Letter of Offer
Friday, February 06, 2024

For Eligible Shareholders Only

LESJA INDUSTRIES LIMITED

Lesja Industries Limited (Formerly Known as Lesja Finstock Private Limited) was originally incorporated under the provisions of The Companies Act, 1956 as 'Lesja Finstock Private Limited' on 23rd November, 1992, with the Registrar of Companies, Gujarat. However, Company subsequently converted into public company. The name of our Company was also changed from 'Lesja Finstock Private Limited' to 'Ashni Finance Limited' on 27.11.1995. The name of our Company was again changed to Technocorp Infosystems Limited on 27.09.2001. Thereafter the name of our Company was also changed to its present name 'Lesja Industries Limited' pursuant to a special resolution of our shareholders passed in an extra-ordinary general meeting dated August 31, 2009 and a fresh certificate of incorporation dated August 31, 2009, consequent on such change of name was issued to our Company by the Registrar of Companies, Gujarat. The equity shares of our company got listed on October 07, 2011, with BSE. For further details, kindly refer to the section titled 'General Information' beginning on page 35 of this Draft Letter of Offer.

Corporate Identification Number: L27100GJ1992PLC018607;

Registered Office: 7th Floor, Ashoka Chambers, Mithakali Six Roads, Ahmedabad-380006, Gujarat, India;

Contact Number: +91-79-26463227; **Contact Person:** Mr. Miteshkumar Rajgor, Company Secretary and Compliance Officer;

Email-ID: info@lesja.in **Website:** www.lesja.in;

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY

THE PROMOTERS OF OUR COMPANY ARE MR. ASHOK CHINUBHAI SHAH AND SHALIN ASHOK SHAH.

Rights Issue of up to 1,76,000,000 Equity Shares with a face value of ₹ 1.00 each for cash at an issue price of ₹2.80 (Rupees Two and Eighty paise Only) per Equity Share (including a premium of ₹1.80 (Rupees One Eighty paise only) per Equity Share) ('Issue Price') ('Right Shares') for an amount of ₹49,28,00,000.00 (Rupees Forty Nine Crore Twenty Eight Lakh Only) on a Rights Issue basis to the Eligible Equity Shareholders of Lesja Industries Limited ('Issuer Company') in the ratio of 1.60 (One point Six) Right Shares for every 1 (One) Equity Shares held by such Eligible Equity Shareholders as on [●] being the Record Date ('Rights Issue'). For further details, kindly refer to the section titled 'Terms of The Issue' beginning on page no 140 of this Draft Letter of Offer.

Assuming full subscription in this Rights Issue.

ISSUE PRICE

The Issue Price is 3 times the face value of the Equity Share.

PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES

AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	Face Value	Premium	Total
On Application 100%	₹ 1.00	₹ 1.80	₹ 2.80
Assuming full amount received on application with respect to Rights Equity Shares. For details, please refer to "Payment Schedule of Rights Equity Shares" on page no.147			

WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

We hereby confirm that neither our Company, nor our Promoter or members of Promoter Group, Directors, have been categorized as wilful defaulters or fraudulent borrowers by any banks or financial institutions (as defined under Companies Act) or consortium thereof, in accordance with the guidelines issued by the Reserve Bank of India, as on date of this Draft Letter of Offer.

GENERAL RISK

Investment in equity and equity-related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Rights Equity Shares have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Investors are advised to refer to 'Risk Factors' beginning on page 21 of this Draft Letter of Offer before investing in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing Equity Shares of our Company are listed and traded on the BSE Limited. Our Company has received in-principal approval from BSE Limited for listing of the Right Shares pursuant to their letters dated [●]. For the purposes of the Issue, the Designated Stock Exchange is BSE Limited.

REGISTRAR TO THE ISSUE	BANKERS TO THE ISSUE/REFUND BANKER
 <p>Purva Share Registry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R.Boricha Marg Lower Parel (East), Mumbai-400011 Telephone: +91 022-3199 8810 / 4961 4132 / 4970 0138 Email: support@purvashare.com Investor Grievance Email: support@purvashare.com Website: www.purvashare.com Contact Person: Deepali Dhuri SEBI Registration No.: INR000001112</p>	 <p>ICICI Bank Ltd ICICI Bank Ltd, 227, Ground Floor, G2A, Nariman Bhavan, Nariman Point, Mumbai, Maharashtra, Mumbai, Maharashtra, 400021 Tel No: 8879769912 Email Id: varun.badai@icicibank.com Website: www.icicibank.com</p>

ISSUE PROGRAMME

ISSUE OPENING DATE	LAST DATE FOR MARKET RENUNCIATION*	ISSUE CLOSING DATE**
[●]	[●]	[●]
<p>*Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounces on or prior to the Issue Closing Date.</p> <p>** Our Board or our Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.</p>		

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to 'the/our Company', 'we', 'our', 'us', or similar terms are to Lesha Industries Limited as the context requires, and references to 'you' are to the Eligible Shareholders and/ or prospective Investors in this Right Issue of Equity Shares.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled 'Industry Overview', 'Statement of Tax Benefits', 'Financial Information', 'Outstanding Litigations, Defaults, and Material Developments' and 'Terms of the Issue' on page 140 shall have the meaning given to such terms in such sections.

CONVENTIONAL/ GENERAL TERMS

Term	Description
AY	Assessment Year;
AoA/ Articles of Association	The Articles of Association of Lesha Industries Limited, as amended from time to time;
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with the provisions of Section 177 of the Companies Act and Regulation 18 of the SEBI (LODR) Regulations, and as described in the section titled ' Our Management ' beginning on page 66 of this Draft Letter of Offer;
Audited Financial Statements	The audited financial statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Year ending March 31, 2023, March 31, 2022, and March 31, 2021;
Auditors/ Statutory Auditors/ Peer Review Auditor	The current statutory auditors of our Company M/s. Keyur Bavishi & Co, Chartered Accountants;
Board of Directors/ Board	Board of Directors of our Company;
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended;
Company Secretary and Compliance Officer	The Company Secretary of our Company, being Mr. Miteshkumar Rajgor;
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Ms. Payalben Hiteshkumar Donga;
Corporate Promoter	Lesha Ventures Private Limited, Ashoka Metcast Limited and Rhetan TMT Limited
Director(s)	
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Lesha Industries Limited as on the Record Date;
Executive Director	Executivedirector(s) on our Board, please refer to section titled ' Our Management '

Term	Description
	beginning on page 66 of this Draft Letter of Offer;
Equity Shares	Equity shares of the Company having face value of ₹1.00 (Rupees One Only);
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ‘Our Management’ beginning on page 66 of this Draft Letter of Offer;
ISIN	International Securities Identification Number being INE050L01048;
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled ‘Our Management’ beginning on page 66 of this Draft Letter of Offer;
Materiality Policy	The policy adopted by our Board in its meeting dated November 14, 2019, for identification of group companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI (ICDR) Regulations.
MoA / Memorandum of Association	The Memorandum of Association of Lesha Industries Limited, as amended from time to time;
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013;
Promoters	Mr. Ashok Chinubhai Shah, Mr. Shalin Ashok Shah, Mrs. Leena Ashok Shah and M/s. Lesha Ventures Private Limited
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with BSE under the SEBI (LODR) Regulations;
Registered Office	7th Floor, Ashoka Chambers, Mithakali Six Roads, Ahmedabad-380006, Gujarat, India,
Restated Financial Statements	Restated summary statements of our Company comprising of the restated statement of assets and liabilities as at March 31, 2023, March 31, 2022, and March 31, 2021, and restated summary statements of profit and loss (including other comprehensive income), and restated summary cash flows and restated summary statement of changes in equity for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the consolidated summary statement of significant accounting policies, and other explanatory information of our Company, derived from audited financial statements as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with Ind AS and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI (ICDR) Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.
Rights Issue Committee	For the purpose of this Rights Issue, the Board of Directors of the Company, has formulated a committee comprising of Mr. Shalin Ashok Shah, as the Chairman, with Kailasprasad Bhagvati prasad Jani, and Kiritbhai Ishwarbhai Patel, being the members of the said committee.
Lesha Industries Limited/ the Company/ our Company	Lesha Industries Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time;
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Section 178 of the Companies Act, 2013;
Stock Exchange/ Designated Stock Exchange	BSE Limited;

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
B2B	Business-to-business
B2C	Business-to-consumer
CAGR	Compound Annual Growth Rate;
CE	Capital Economics;
CII	The Confederation of Indian Industry;
DPIIT	Department for Promotion of Industry and Internal Trade
EDP	Entrepreneurship Development Programme;
FDI	Foreign Direct Investment;
FICCI	Federation of Indian Chambers of Commerce and Industry;
FIPB	Foreign Investment Promotion Board;
FY	Financial Year;
GDP	Gross Domestic Product;
GMP	Good Manufacturing Practices;
GST	Goods and Services Tax;
HRD	Human Resource Development;
ICE	Internal combustion engine
IBEF	India Brand Equity Foundation;
IMF	International Monetary Fund;
ISO	International Organization for Standardization;
JV	Joint Venture;
M&A	Mergers and Acquisitions;
MNC	Multi National Company;
MOUs	Memoranda of Understanding;
NABARD	National Bank for Agriculture and Rural Development;
NOC	No Objection Certificate;
OECD	Organisation for Economic Cooperation and Development;
OEM	Original equipment manufacturers;
OHSAS	Occupational health and safety assessment series;
One Million	Ten Lakhs;
One Billion	Ten Thousand Lakhs;
One Trillion	One Crore Lakhs;
PE	Private Equity;
POS	Point of Sale;
SEZ	Special Economic Zone;
Sq. ft.	Square Foot;
TQM	Total Quality Management;
USA	United States of America;
USD	United States Dollar;
WEO	World Economic Outlook

ISSUE RELATED TERMS

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

Term	Description
	Date in accordance with Section 40 (3) of the Companies Act;
Allotment Account Bank	The bank which is a clearing member and registered with SEBI as bankers to an issue and with whom the Allotment Account will be opened, in this case being, [●]
Allotment Advice	Note, advice, or intimation of Allotment sent to each successful Investors who have been or is to be Allotted the Rights Shares pursuant to this Issue after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottees	Persons to whom Right Equity Shares are issued pursuant to the Issue;
Applicant(s)/ Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer/Letter of Offer, being an ASBA Investor;
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Equity Shares at the Issue Price;
Application Form	Unless the context otherwise requires, an application form made available through the website of the SCSBs (if made available by such SCSBs) under the ASBA process used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price;
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be;
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renounces) shall make an application for a Rights Issue only through ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020;
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue, in this case being [●]
Bankers to the Issue Agreement	Agreement dated [●] entered into by and amongst our Company, the Registrar to the Issue and the Bankers to the Issue for collection of the Application Money, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Applicants/Investors and providing such other facilities and services as specified in the agreement;
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue, and which is described in ' <i>Terms of the Issue</i> ' beginning on page 140 of this Draft Letter of Offer;
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form;
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes ;
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable;
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&in_tmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;

Term	Description
Designated Stock Exchange	BSE Limited;
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Draft Letter of Offer/ DLoF	This draft letter of offer dated Tuesday, February 06, 2024, filed with BSE Limited in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approval;
Escrow Account(s)	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an application;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●]
Issue/ Rights Issue	Rights Issue of 1,76,000,000 Equity Shares of face value of ₹1.00 (Rupees One Only) each of our Company for cash at a price of ₹2.80/- (Rupees Two and Eighty Paise Only) per Rights Equity Share totalling to Rs. 4,92,800,000/- (Rupees Forty-Nine Crore Twenty-Eight Lakh Only) on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 1.6 (One point Six) for every 1 (One) held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [●]
Issue Closing Date	[●]
Issue Materials	The Letter of Offer, Abridged Letter of Offer, Rights Entitlement Letter, Application Forms, including any notices, corrigendum thereto;
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹2.80/- (Rupees Two and Eighty Paise Only) including a premium of ₹1.80/- (Rupees One and Eighty Paise Only) per Right Equity Share issued in the ratio of 1.6 (One point six) Rights Share for every 1 (One) Equity Share held;
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Shares	Up to 1,76,000,000 Rights Shares;
Issue Size	Amount aggregating up to ₹4,92,800,000/- (Rupees Forty-Nine Crore Twenty-Eight [Lakh Only) (<i>Assuming full subscription with respect to Rights Shares</i>);
Letter of Offer/ LoF	The final letter of offer to be filed with BSE Limited after incorporating the observations received from BSE Limited on the Draft Letter of Offer;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see ' <i>Objects of the Issue</i> ' beginning on page 42 of this Draft Letter of Offer;
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renounces;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1) (jj) of the SEBI (ICDR) Regulations;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●];
Payment Schedule	Payment schedule under which full amount of the Issue Price is payable on Application, i.e.,

Term	Description
	₹2.80(Rupees Two and Eighty Paise Only) per Rights Share and the balance in one or more subsequent call(s) determined by the Board of Directors from time to time.
Physical Equity Shareholders	Eligible Equity Shareholders holding Equity Shares in physical form shall be termed as Physical Equity Shareholders;
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [●];
Refund Bank	The Banker to the Issue with the Refund Account will be opened, in this case being [●];
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;
Registrar to the Issue	Purva Sharegistry (India) Pvt. Ltd.;
Registrar Agreement	Agreement dated [●] entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue;
Renounces	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e. [●];
Retail Individual Investors/ RIIs	Individual Investors who have applied for Equity Shares for an amount not more than ₹2,00,000.00/- (Indian Rupees Two Lakhs) (including HUFs applying through their Karta);
Rights Entitlement (s)/ REs	The number of Right Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being [●], 1.6 (One point Six) Right Equity Shares for every 1 (one) Equity Shares held by an Eligible Equity Shareholder; The Rights Entitlements with a separate ISIN [●] will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible and on the website of our Company;
Rights Shares	Equity shares of our Company to be Allotted pursuant to this Rights Issue, on partly paid-up basis on Allotment;
Self-Certified Syndicate Banks/ SCSB(s)	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes ;
SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020;
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being BSE;
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter or Fraudulent Borrower	A Company or person, as the case may be, categorized as a wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of SEBI (ICDR) Regulations and in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such;
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, a working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Ahmedabad are open for business. Furthermore, the period between the Issue

Term	Description
	Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI;

ABBREVIATIONS

Term	Description
ADR	American Depository Receipt;
AGM	Annual General Meeting;
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
AS	Accounting Standards issued by the Institute of Chartered Accountants of India;
ASBA	Application Supported by Blocked Amount;
AY	Assessment Year;
Bn /b.n	Billion
BSE	BSE Limited;
CAF	Common Application Form;
CDSL	Central Depository Services (India) Limited;
CFO	Chief Financial Officer;
CIN	Corporate Identification Number;
CIT	Commissioner of Income Tax;
CLRA	Contract Labour (Regulation and Abolition) Act, 1970;
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder;
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections);
CSR	Corporate Social Responsibility;
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
Depositories Act	The Depositories Act, 1996;
DIN	Director Identification Number;
DP	Depository Participant;
DP ID	Depository Participant's Identification;
DR	Depository Receipts;
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortisation expense, as presented in the statement of profit and loss;
EGM	Extraordinary General Meeting;
EEA	European Economic Area;
EPS	Earnings Per Share; (Total Earnings / Outstanding Shares)
FDI	Foreign Direct Investment;
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder;
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019;
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws;
FIPB	Foreign Investment Promotion Board;
FPIs	Foreign Portfolio Investors;
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI;
FY/ Financial Year/ Fiscal Year/ Fiscal	Period of 12 months ended March 31 of that particular year, unless otherwise stated;
GAAP	Generally Accepted Accounting Principles;

Term	Description
GDP	Gross Domestic Product;
GDR	Global Depository Receipt;
GNPA	Gross Net Performing Assets;
GoI / Government	The Government of India;
GST	Goods and Services Tax;
HUF	Hindu Undivided Family;
ICAI	The Institute of Chartered Accountants of India;
ICSI	The Institute of Company Secretaries of India;
IFRS	International Financial Reporting Standards;
Income Tax Act / IT Act	Income Tax Act, 1961;
Ind AS	Indian Accounting Standards;
Indian GAAP/ I-GAAP	Generally Accepted Accounting Principles in India;
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended;
IT	Information Technology;
MCA	The Ministry of Corporate Affairs, GoI;
Mn / mn	Million;
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
N.A. or NA	Not Applicable;
NAV	Net Asset Value; (Value of Assets – Value of Liabilities / Total Number of Outstanding Shares)
NEFT	National Electronic Fund Transfer;
Notified Sections	ThesectionsoftheCompaniesAct,2013thathavebeennotifiedbytheMCAand are currently in effect;
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI;
NRE	Account Non-resident external account;
NRI	Non-resident Indian;
NRO	Non-resident ordinary account;
NSDL	National Securities Depository Limited;
OCB	Overseas Corporate Body;
P.A/ p.a.	Per Annum;
P/E Ratio	Price/Earnings Ratio (Share Price / EPS);
PAN	Permanent account number;
PAT	Profit after Tax;
RBI	Reserve Bank of India;
RBI Act	Reserve Bank of India Act, 1934;
RONW	Return on Net Worth;
SCORES	SEBI Complaints Redress System;
SCRA	Securities Contracts (Regulation) Act, 1956, and amendments thereto;
SCRR	Securities Contracts (Regulation) Rules, 1957, and amendments thereto;
SEBI	Securities and Exchange Board of India;
SEBI Act	Securities and Exchange Board of India Act, 1992, and amendments thereto;
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and amendments thereto;
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 and amendments thereto;
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto;
Securities Act	United States Securities Act of 1933, as amended;
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)

Term	Description
	Regulations, 2011 and amendments thereto;
STT	Securities transaction tax;
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be;

NOTICE TO OVERSEAS INVESTORS

The distribution of Issue Material, and the Issue of Rights Entitlement and Right Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons in whose possession the Issue Material may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Shareholders as on Record Date and will dispatch through email and courier the Issue Materials to such Eligible Shareholders who have a registered address in India or who have provided an Indian address to our Company. Investors can also access the Issue Material from the websites of the Registrar, our Company, and BSE Limited. Those overseas shareholders, who have not updated our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with BSE Limited for observations. Accordingly, the Right Entitlements and Right Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under such circumstances, Issue Material must be treated as sent for information purposes only and should not be acted upon for subscription to Rights Entitlement and Right Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of Issue Material should not, in connection with this Issue of the Right Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Right Shares or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire Right Entitlements or Right Shares will be deemed to have declared, represented, warranted and agreed that she/he is authorized to acquire the Right Entitlements or Right Shares in compliance with all applicable laws and regulations prevailing in her/his jurisdiction. Our Company, the Registrar or any other person acting on behalf of us reserve the right to treat any Application Form as invalid where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Right Shares or Rights Entitlement in respect of any such Application Form. Neither the delivery of Issue Materials nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer.

The contents of the Issue Materials should not be construed as legal, tax, or investment advice. Prospective investors may be subject to adverse foreign, state, or local tax or legal consequences as a result of the offer of Right Entitlements and Right Shares. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning this Offer. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Entitlement and Right Shares regarding the legality of an investment in the Right Shares by such offeree or purchaser under any applicable laws or regulations.

The Rights Entitlement and the Right Shares of our Company have not been and will not be registered under the Securities Act, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof, except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in the Letter of Offer are being offered in India, but not in the United States. The offering to which the Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, the Issue Materials should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making the Right Shares to Eligible Shareholders of our Company on the Record Date and issue materials will be dispatched only to Equity Shareholders who have an Indian address. Any person who acquires rights and the Right Shares will be deemed to have declared, represented, warranted and agreed, that:

1. That it is not and that at the time of subscribing for the Right Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made,
2. It does not have a registered address (and is not otherwise located) in the United States, and
3. It is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.
4. Our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form

Our Company reserves the right to treat as invalid any Application form which:

1. Appears to our Company or its agents to have been executed in or dispatched from the United States;
2. Where a registered Indian address is not provided; or
3. Where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

CERTAIN CONVENTIONS

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to 'Lesha Industries Limited', the/our 'Company', 'we', 'our', 'us' or similar terms are to Lesha Industries Limited or, as the context requires, and references to 'you' are to the equity shareholders and/ or prospective Investors in the Equity Shares.

FINANCIAL DATA

Unless stated otherwise, the financial data in this Letter of Offer is derived from the audited financial statements for the year ending March 31, 2023, March 31, 2022 and March 31, 2021 and unaudited financial results for the six months ending December 31, 2023 of our Company prepared in accordance with Ind AS, Accounting Standards, Companies Act, 2013. For further details, please refer to the section titled '*Financial Information*' beginning on page 76 of this Draft Letter of Offer. The financial year of our Company commences on April 1 and ends on March 31.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

CURRENCY OF PRESENTATION

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

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

Please Note:

One billion is equal to 1,000 million/100 crores;

One million is equal to 1,000,000/10 lakhs;

One crore is equal to 10 million/100 lakhs;

One lakh is equal to 100 thousand;

FORWARD LOOKING STATEMENTS

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

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

1. Any disruption in production at, or shutdown of, our manufacturing facility;
2. Success of product development process and our ability to conceptualise new products;
3. Dependency on our key customers and key suppliers;
4. General economic and business conditions in India and in the markets in which we operate and in the local, regional, and national economies;
5. Changes in laws and regulations and other factors relating to the sectors and industry in which we operate;
6. Occurrence of environmental problems and uninsured losses;
7. Increased competition in industries and sector in which we operate;
8. Our ability to meet our capital expenditure requirements;
9. Our ability to successfully implement our growth strategy and expansion plans and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
10. Fluctuations in operating costs;
11. Our ability to attract and retain qualified personnel;
12. Our failure to keep pace with rapid changes in technology;
13. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
14. Any adverse outcome in the legal proceedings in which we/our group companies are involved;
15. Other factors beyond our control;
16. Our ability to manage risks that arise from these factors;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties; and

18. The performance of the financial markets in India and globally.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled **‘Risk Factors’** beginning on page 21 of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could materially differ from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or Registrar does not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and BSE’s Limited requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the BSE Limited.

SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled '**Risk Factors**', '**Objects of the Issue**', '**Business Overview**' and '**Outstanding Litigations, Defaults and Material Developments**' beginning on pages 21, 42, 61, and 128 of this Draft Letter of Offer, respectively.

SUMMARY OF OUR INDUSTRY

The Indian steel industry has entered into a new development stage, post deregulation, riding high on the resurgent economy and rising demand for steel. According to the data released by the Department for Promotion of Industry and Internal Trade (DPIIT), between April 2000-March 2023, Indian metallurgical industries attracted FDI inflows of US\$ 17.23 billion. In FY22, demand for steel was expected to increase by 17% to 110 million tonnes, driven by rising construction activities. The steel industry has emerged as a major focus area given the dependence of a diverse range of sectors on its output as India works to become a manufacturing powerhouse through policy initiatives like Make in India. With the industry accounting for about 2% of the nation's GDP, India ranks as the world's second-largest producer of steel and is poised to overtake China as the world's second-largest consumer of steel. Both the industry and the nation's export manufacturing capacity have the potential to help India regain its favourable steel trade balance.

SUMMARY OF OUR BUSINESS

We are engaged in the business of trading in all types, fabricate, market and deal in steel furnace, steel rolling mills, steel rolling plant and to re-roll mild, low, medium, high carbon and alloy steel and alloy cold rolled and hot rolled strips, refine alloy and manufacture ingots, skelped billets of special steel and alloy steels and to act as steel makers, steel converters ship breakers and to manufacture metallurgical products in all forms and also in all types of sizes and kinds of chemical compounds (organic and inorganic) in all forms (solid, liquid and gaseous) and of all kinds of organic heavy chemicals, acids, alkalies, tannin extracts solvents, dye stuffs, dyes, intermediates, bulk drugs and its intermediates colour, chemical auxiliaries, biochemicals, and its related preparations, articles and products either in or outside India. company also trades in Liquid bromine. Liquid bromine is a reddish-brown liquid that is used in many fire-retardant compounds. It is also used in the agro and pharma chemicals industries.

For further details, please refer to the chapter titled '**Business Overview**' beginning on page 61 of this Draft Letter of Offer.

OUR PROMOTERS

The Promoters of our company are Ashok Chinubhai Shah and Shalin Ashok Shah.

OBJECTS OF THE ISSUE

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

Particulars	Amount (₹ in Lakhs)
Gross Proceeds from the Issue#	₹4,853.00
Less: Estimated Issue related Expenses	₹75.00
Net Proceeds from the Issue	₹4,928.00

#Assuming full subscription and allotment. If there is any reduction in the amount on account of or at the time of finalization of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

0The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

Particulars	Amount (₹ in Lakhs)
To meet Working Capital requirements	₹ 1,200.00
To purchase of new office.	₹ 600.00
Marketing & infra development projects expenses *	₹ 1,902.00
General Corporate Purposes	₹ 1,226.00
Total	₹ 4,928.00

#In an event of any under-utilization of funds from the aforesaid stated objects of the Issue, the Company shall have the liberty to utilize the said balance fund for General Corporate Purpose, which shall not in any event exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds (inclusive of the aforementioned fund requirement for General Corporate Purpose);

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

For further details, please refer to the chapter titled **‘Objects of the Issue’** beginning on page 42 of this Draft Letter of Offer.

SUBSCRIPTION TO THE ISSUE BY OUR PROMOTER AND PROMOTER GROUP

The Promoters of our Company through their letter dated Wednesday, February 7, 2024 have agreed to subscribe to the full extent of its Rights Entitlement in this Issue and that they shall not renounce their Rights Entitlements except within the Promoter Group, in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations and at their sole discretion apply for and subscribe to additional Rights Equity Shares and any such subscription for Rights Equity Shares shall be over and above their entitlements. Any such subscription for Right Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding in the Company. The allotment of Equity Shares of the Company subscribed by the Promoter and other members of the Promoter Group in this Issue shall be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI (SAST) Regulations. The Issue shall not result in a change of control of the management of our Company in accordance with the provisions of SEBI (SAST) Regulations. Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

Our Promoters, Mr. Ashok Chinubhai Shah, Ms. Leena Ashok Shah, Mr. Shalin Ashok Shah and M/s. Lesha Ventures Private Limited has vide its letter dated Wednesday, February 7, 2024 requested and confirmed our Company that the unsecured loan of Rs.2,041.96 Lakh given by them shall be adjusted towards subscription/application for their or any other promoter/s, entitlement in this Issue and towards additional subscription, if any, to the aggregate amount of Rs. 2,041.96 Lakh, instead of seeking repayment of the same. Thus, a portion of the Issue Proceeds is proposed to be utilised for adjusting the unsecured loans amounting to ₹2,041.96 lakhs availed from our Promoters by way of adjustment towards Promoter’s or member of Promoter Group’s Right’s entitlement subscription /application money and consequently, no fresh Issue proceeds would be received by our Company to such an extent.

For further details, please refer to the chapter titled **‘Objects of the Issue’** beginning on page 42 of this Draft Letter of Offer.

SUMMARY OF FINANCIAL STATEMENTS

The following table sets forth the summary financial information derived from the Audited Financial Statements, prepared in accordance with Ind AS and the Companies Act, 2013, for the Financial Year ending March 31, 2023, March 31, 2022, March 31, 2021 and for the six months period ended September 30, 2023

(Amount in ₹ Lakhs)

Particulars	For the period	For the Financial Year ending		
	Ended September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	1,100.00	1,100.00	1,100.00	1,100.00
Net Worth	2,457.78	1,825.80	1,806.35	1,495.67
Total Income	17.34	690.67	724.73	265.80
Profit / (loss) after tax	2.42	19.45	40.07	0.46
Basic and diluted EPS (in ₹)	0.00	0.02	0.0004	0.00
Total borrowings	68.96	45.52	37.27	17.54

AUDITOR QUALIFICATIONS

For further details on auditor qualifications, please refer to section titled '*Financial Statements*' beginning on page no. 77 of this Draft Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATION

Nature of Cases	Number of cases	Amount involved
Litigations involving our Company		
Litigation Involving Actions by Statutory/Regulatory Authorities	Nil	Nil
Litigation involving Tax Liabilities	Nil	Nil
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	Nil	Nil
Proceedings involving Material Violations of Statutory Regulations by our Company	Nil	Nil
Matters involving economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	Nil	Nil
Litigation involving our Directors, Promoters and Promoter Group	*1	Nil
Litigation involving our Group Companies	Nil	Nil

*Alleged default under Section 68 read with Section 628 of the Companies Act, 1956.

Application No. 2046/2018 made at High Court of Gujarat for quashing and setting aside the impugned order of the Additional Chief Metropolitan Magistrate, Ahmedabad. The same has been admitted and High Court has stayed the further proceedings of CC/200054/2006 before the Additional Chief Metropolitan Magistrate, Ahmedabad.

For further details, please refer to section titled '*Outstanding Litigations, Defaults and Material Developments*' beginning on page 128 of this Draft Letter of Offer.

RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled '*Risk Factors*' beginning on page 21 of this Draft Letter of Offer.

SUMMARY OF CONTINGENT LIABILITIES

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' and beginning '*Outstanding Litigations, Defaults and Material Developments*' on page 77, and 128, respectively of this Draft Letter of Offer.

SUMMARY OF RELATED PARTY TRANSACTIONS

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' beginning on page no. 77 of this Draft Letter of Offer.

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

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

SPLIT/ CONSOLIDATION OF EQUITY SHARES IN LAST 1 (ONE) YEAR

There has been no split/ consolidation of Equity Shares during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.

FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our directors and their relatives have financed the purchase, by any other person of Equity Shares other than in the normal course of the business of the financing entity during the period of 6 (Six) months immediately preceding the date of this Draft Letter of Offer.


SECTION III – RISK FACTORS

*An investment in equity shares involves a high degree of risk. The risks described below together with other information contained in this Letter of Offer should be carefully considered by the prospective investors before making an investment decision. Prospective investors should carefully consider all the information contained in the section titled “**Financial Information**” on page 76 for the information related to the financial performance of our Company. The risks described in this section are those that we consider to be the most significant to our business, results of operations, financial condition, cash flows and prospects. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business operations. If any or a combination of the following events occur, our business, results of operations, financial condition and prospects could materially suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein.*

The following risk factors have been determined by our Board of Directors on the basis of their materiality. In accordance with Clause (VI) in Part B of Schedule VI of the SEBI ICDR Regulations, the following factors have been considered for determining the materiality: (i) Some events may not be material individually, but may be found material collectively, (ii) some events may have material impact qualitatively instead of quantitatively; and (iii) some events may not be material at present but may have material impact in the future.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to ‘we’, ‘us’, ‘our’ refers to our Company.

INTERNAL RISKS

1. ***Our Company’s logo  is not registered under the Trademarks Act, 1999 as on date of Draft Letter of Offer. 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 may be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be required to obtain a license, modify our existing technology, or cease the use of such technology and design a new non-infringing technology. Such licenses or design modifications can be extremely costly. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, results of operations and financial condition.

2. ***Regulatory Charges levied on the Company from the BSE Authority.***

Our Company have received some regulatory charges from the BSE Limited on non-compliance of Corporate Governance by the Company. However, all charges/penalties were paid off and said charges were not appearing in the next Quarter list. In case any further proceeding, if initiated by the authority may cost to the Company monetarily and may harm the goodwill of the Company as well.

3. ***We operate in a highly competitive industry.***

We operate in a highly competitive industry. Any inability to compete effectively may lead to a lower market share or reduced operating margins. The chemical trading sector is fiercely competitive, with numerous participants engaging in similar activities, both within India and internationally. To maintain our competitiveness in the market, we must consistently focus on optimizing our trading processes, reducing costs, enhancing distribution efficiency, and innovating our approach to chemical trading. Failure to do so may negatively impact our market share and overall financial performance.

In the context of our trading activities, we may incur substantial expenses in preparing to meet anticipated customer requirements, which may not be fully recoverable. For instance, if a customer is launching a new product, we might need to make significant investments to adapt our trading operations, potentially affecting our efficiency and production rates. Additionally, there is no guarantee that we will remain competitive in terms of technology, trading strategies, and overall service quality to meet our customers' expectations. Future negotiations with significant customers may result in less favourable pricing terms compared to our existing agreements.

Many of our competitors in the trading industry may be larger and benefit from greater economies of scale and operational efficiencies. There is no assurance that we can continue to effectively compete with such entities in the future. Failure to compete successfully may adversely affect our business, financial condition, and results of operations. Furthermore, the competitive nature of the Chemical trading industry may lead to lower prices for our traded product and reduced profit margins, significantly impacting our revenue and overall profitability.

4. *Our insurance coverage may not adequately protect us against certain operating risks and this may have an adverse effect on the results of our business.*

We are insured for a risks associated with our business, through various policies. However our policy of covering these risks through insurance may not always be effective or adequate, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected.

5. *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, expand our sales channel and to implement systems capable of effectively accommodating our growth. However, we cannot assure that any such employees or marketing agents 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 analysis of market conditions and other data or the strategies that we may use in future to use will be successful under various market conditions.

6. *Certain of our Directors and Key Management Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.*

Certain of our Directors and Key Management Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Directors and Key Management Personnel may be deemed to be interested to the extent of equity shares held by them, directly or indirectly, in our Company. Certain of our Directors and Key Management Personnel may also be regarded as interested to the extent of loans availed by our Company from time to time. Except as stated above, none of our Directors and Key Management Personnel has any interest in our Company.

7. *Our growth strategy to expand into new geographic areas exposes us to certain risks and if we are unable to identify the right mix of distribution channels in respect of our targeted locations, our business prospects could be adversely affected.*

Increasing our presence in new geographical areas across India is one of the principal elements of our growth strategy. We propose to continue with this strategy of entering new geographic areas with high growth potential. Pursuant to our growth strategy and to further deepen our presence pan India, we intend expand our distribution channel which shall increase our reach in various cities and towns.

Pursuing such a growth strategy may expose us to risks which may arise due to lack of familiarity with the development, ownership and management of retail business in certain regions and the customer preferences in such regions.

8. *The success of our business depends on our ability to attract and retain customers and maintain consistency in customer service.*

Our ability to offer products in line with customer preferences, demand and trends to our customers and maintain our standards of customer service is critical to attract and retain customers. Our ability to attract customers and provide high standards of customer service further depends on our ability to attract and hire the right personnel and also train the personnel in the implementation of our business processes. We cannot assure you that we will be able to recruit and retain the right personnel or our advertising and marketing campaign will be successful in meeting its objectives and provide returns commensurate to the investments made. Any failure to attract new customers or expand our customer base, may materially affect our growth and financial performance.

9. *We face competition from existing retailers, online retailers and potential entrants, both domestic and foreign, to the retail industry that may adversely affect our competitive position and our profitability.*

Loss of market share and increase in competition may adversely affect our profitability. Further, we face competition from brands who market similar products as us. The entry strategy of the new entrants and growth strategy of existing competitors may not be focussed on profitability in the short term. This could adversely affect the profitability dynamics of our business. Some of our competitors may be able to compete more effectively because of their access to significantly greater resources, which may lead to increased competition. Our products compete with non- branded products, economy brands and products of other established brands. Such an increase in competition may causes to increase our marketing expenditure, reduce prices of our products, thereby reducing margins.

Additionally, we may face competition from international players if foreign participation in our businesses further liberalized. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. Moreover, as the industry is highly fragmented, we also face competition from local brands who may, for a variety of reasons, such as easier access to, as well as established personal relationships with, the customers, be able to cater to local demands better than us. Our inability to compete successfully in our industry would materially affect our business prospects and financial condition.

10. *We do not have firm long term commitment agreements with our customers. We may not be able to accurately forecast demand for our products and plan production schedules in advance, and our growth estimates may not accurately indicate our actual sales and revenues for any future period or date.*

We do not enter into firm long-term agreements with our customers. Typically, there is no commitment on the part of the customer to purchase the quantities specified in the volume projections. We rely on purchase orders and delivery schedule issued by such customers from time to time that set out the volume and other terms of our sales of products. The quantities supplied are based on delivery schedules provided by the customers based on their own demand and supply situation. Further, in the event the Company is unable to fulfill the purchase order, it is required to notify the customers. As a result, our customers do not typically place firm purchase orders until a short time before the products are required from us, as a result of which we do not hold a significant order book at any time, making it difficult for us to forecast production volume or sales and are based on a number of economic and business factors such as our customers' demand and supply situation, and other variables and assumptions, some or all of which may change or may not be accurate and, accordingly, our growth estimates may not accurately indicate our actual sales and revenues for any future period or date.

Moreover, since we do not have long-term firm commitments with our customers, and instead rely on purchase orders and customer schedules to govern the volume, price and other terms of the development program and sales, which may be amended or cancelled prior to finalization, we may not have any recourse in the event of an unexpected delay or cancellation of a development program. In addition, we may not realize all of the revenue expected from our incremental business pipeline and it may not be indicative of our future growth rate or new business orders we will receive in the future

Further, our customers have high and exacting standards for product quality and delivery schedules. Any failure to meet customer's expectations could result in the cancellation or non-renewal of contracts. Our customers may

terminate their arrangements with us for cause or otherwise for, among others, our non-compliance with contractual obligations such as standards for product quality and quantity as well as delivery schedules, and in certain cases have no liability to pay for or reimburse lost profits, unabsorbed overheads, capital investments made by us, product development and engineering costs, facilities and equipment rental and other related costs such as penalties or administrative charges incurred directly or indirectly by us in connection with cancelled orders. In addition, we do not have exclusive contracts with any of our large customers, which entitles them to replace us with another supplier under certain circumstances. Accordingly, we may not in fact realize all of the future sales represented by our awarded business, which could materially and adversely affect our business, cash flows, financial condition and results of operations.

Customers may also demand price reductions, change their outsourcing strategy or replace their existing products with alternative products. There is therefore no assurance that we will be able to continue to procure business from the existing customers or to retain the existing customers, or that we will be able to replace our customer base in a timely manner or at all, in the event customers do not continue to purchase products manufactured by us. Such loss of customers may have an adverse effect on our business, financial condition and results of operations, including an interruption or partial or total work stoppage at our manufacturing facilities.

11. In addition to normal remuneration or benefits and reimbursement of expenses, our Promoters, our Directors and Key Managerial Personnel are interested in our Company to the extent of their shareholding, and dividend entitlements etc.

Our Promoters, Directors and Key Management Personnel are deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlements, and benefits deriving from the directorship in our Company.

12. We are exposed to the risk of delays or non-payment by our clients and other counterparties, which may also result in cash flow mismatches.

We are exposed to counterparty credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients, business partners, suppliers or other counterparties could affect our financial condition, results of operations and cash flows.

13. We have in past entered related party transactions and we may continue to do so in the future.

In the Financial Year ending March 31, 2023, March 31, 2022, and March 31, 2021, we have entered several related party transactions with entities under common control and our directors. In addition, we have in the past also entered transactions with other related parties. For further please refer to the section titled '**Financial Statements**' beginning on page 77 of this Draft Letter of Offer.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

14. *We experienced negative cash flows in the past*

We experienced negative cash flows in the past. Sustained negative cash flows could impact our growth and business. We experienced negative cash flows from some activities as per the periods indicated below as per our Consolidated Financial Statements

(₹ in Lakhs)

Particulars	For the Financial Year ending March 31		
	2023	2022	2021
Net Cash Flow from Operating Activities	139.10	13.36	(106.80)
Net Cash Flow from Investing Activities	(349.22)	(262.31)	(-0.21)

If we continue to experience negative cash flows from operations in the future, it could adversely affect our business, results of operations and financial condition. For further details, see '*Financial Statements*' on page 77 of this Letter of Offer.

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

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

16. *As the Equity Shares of our Company are listed on BSE Limited, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and comply with other SEBI regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.*

The Equity Shares of our Company are listed on BSE Limited, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavors to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into BSE Limited and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

17. *We require certain approvals and licenses in the ordinary course of business, and any failure to obtain or retain such approvals in a timely manner, or comply with applicable laws, may materially and adversely affect our business, financial condition, results of operations and prospects.*

We require certain approvals, licenses, registrations, and permissions for operating our business in India, if we fail to apply, obtain, or retain any of these approvals or licenses, or renewals thereof, in a timely manner, our business may be adversely affected.

Further, government approvals and licenses are subject to numerous conditions, of which some may be onerous and may require us to undertake substantial compliance-related expenditure. In certain locations, regulatory authorities may exercise considerable discretion in matters of enforcement and interpretation of applicable laws, regulations, and standards.

Failure to comply with applicable laws or regulations, obtain and maintain any licenses, permits and approvals necessary to operate our business or non-compliance with any conditions imposed thereunder can lead to civil,

administrative, or criminal penalties, including but not limited to fines or the revocation of permits and licenses that may be necessary for our business activities. We could also be required to pay damages in respect of third-party claims, including those relating to personal injury or property damage, any of which could materially and adversely affect our business, financial condition, results of operations and prospects.

18. ***Our future fund requirements, in the form of further 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 further issue of Equity 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 or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

19. ***Our success largely depends upon the knowledge and experience of our Promoters, Directors, and our Key Managerial Personnel. Loss of any of our directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations, and financial condition.***

Our Company depends on the management skills and guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. However, recently new Promoters and directors have joined our company and the old promoters and Directors have exited and the new Promoters and Directors bring with them the requisite knowledge and experience of the changed line of business of the company. Further, we also significantly depend on the expertise, experience, and continued efforts of our Key Managerial Personnel. Some of our employees have been associated with our Company since a long period of time and have been integral to the growth and in the success of our Company. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our directors or Key Managerial Personnel are unable or unwilling to continue in his/ her present position, it could be difficult for us to find a suitable or timely replacement and our business could be adversely affected. There is significant competition for management and other skilled personnel in the industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages and incentives to such Key Managerial Personnel. In the event we are not able to attract and retain talented employees, as required for conducting our business, or we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition, and operations may be adversely affected.

20. ***Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition, or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition, and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition, and results of operations. Although our Company has not declared dividends in the past, however there can be no assurance that our Company will declare dividends in the future also.

21. ***We have not commissioned an industry report for the disclosures made in the chapter titled 'Industry Overview' and made disclosures based on the data available on the internet and such data has not been independently verified by us.***

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled '**Industry Overview**' of this Draft Letter of Offer. We have made disclosures in the said chapter based on the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any

assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

ISSUE SPECIFIC RISKS

22. *Investment in Right Shares is exposed to certain risks.*

The Right Shares offered under this Issue will be listed under a separate ISIN. An active market for trading may not develop for the Right Shares. This may affect the liquidity of the Right Shares and restrict your ability to sell them. In case our Company declares any dividend, Rights Equity Shareholders are only entitled to dividend in proportion to the amount paid-up, and the voting rights (exercisable on a poll) by Investors shall also be proportional to such investor's share of the paid-up equity capital of our Company.

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

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

24. *Our Company will not distribute the Letter of Offer and Application Form to certain overseas Shareholders who have not provided an address in India for service of documents.*

Our Company will dispatch the Issue Materials to such Shareholders who have provided an address in India for the service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Issue Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

25. *Investors shall not have the option to receive Right Shares in physical form.*

In accordance with the provisions of Regulation 77A of the SEBI (ICDR) Regulations read with SEBI Rights Issue Circular, the credit of Rights Entitlement and Allotment of Right Shares shall be made in dematerialised form only. Investors will not have the option of getting the allotment of Equity Shares in physical form.

26. *SEBI has streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see 'Terms of the Issue' on page 140 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

- 27. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

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

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian Company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 01, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, and the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019 and have come into effect from July 01, 2020.

The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

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

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

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

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

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

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

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

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

- 33. *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 Promoter 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.

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

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

EXTERNAL RISK FACTORS

35. *The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition, and results of operations.*

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

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of Novel Coronavirus will cause an economic slowdown and it is possible that it could cause a global recession. The spread of Novel Coronavirus has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events, and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the Novel Coronavirus further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact Novel Coronavirus may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all any impact from the spread of Novel Coronavirus or its consequences, including downturns in business sentiment generally or in our sector. The degree to which Novel Coronavirus impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

36. *Political, economic, or other factors that are beyond our control may have adversely affect our business and results of operations.*

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However, there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

37. *A slowdown in economic growth in India could cause our business to suffer.*

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- a) Any increase in Indian interest rates or inflation;
- b) Any scarcity of credit or other financing in India;
- c) Prevailing income conditions among Indian consumers and Indian corporations;
- d) Changes in India's tax, trade, fiscal or monetary policies;
- e) Political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- f) Prevailing regional or global economic conditions; and
- g) Other significant regulatory or economic developments in or affecting India.

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

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

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

39. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.*

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe, and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition, and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance, and the trading price of the Equity Shares.

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "Government and Other Approvals" on page 131 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In

addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

41. *We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.*

We are incorporated in India and we conduct our corporate affairs and our business in India. Consequently, our business, operations, financial performance will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

42. *The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.*

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

SECTION IV – INTRODUCTION

THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on Friday, February 02, 2024, in pursuance of Section 62(1)(a) of The Companies Act, 2013.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in '*Terms of the Issue*' on page 140 of this Letter of Offer.

Equity Shares outstanding prior to the Issue	1,10,000,000 (Eleven Crore) Equity Shares
Rights Equity Shares offered in the Issue	1,76,000,000 (Seventeen Crore and Sixty Lakhs) Rights Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	2,86,000,000 (Twenty-Eight Crore and Sixty Lakhs) Rights Equity Shares
Rights Entitlement	1.6 (One point six) Rights Equity Shares for every 1 (One) fully paid-up Equity Shares held on the Record Date
Record Date	[●]
Face Value per Equity Share	₹1.00/- each
Issue Price per Equity Share	₹2.80/- including a premium of ₹1.80/- per Rights Equity Share.
Issue Size (Assuming full subscription for the Issue)	₹4,92,800,000/- (Rupees Forty-Nine Crore Twenty-Eight Lakh Only)
Fractional Entitlement	As the Equity Shares being offered on a rights basis under the Issue is in the ratio of 1.6 (One point six) for every 1 (one) fully paid-up share held, fractional entitlement will not arise. However, if any, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Terms of the Issue	Please refer to the section titled ' <i>Terms of the Issue</i> ' beginning on page 140 of this Letter of Offer.
Use of Issue Proceeds	Please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 42 of this Letter of Offer.
Security Code/ Scrip Details	ISIN: INE050L01048; BSE Scrip Code: 533602; BSE Scrip ID: LESHAIND; ISIN for Rights Entitlements: [●]

ISSUE SCHEDULE

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

GENERAL INFORMATION

Lesha Industries Limited (Formerly Known as Lesha Finstock Private Limited) was originally incorporated under the provisions of The Companies Act, 1956 as 'Lesha Finstock Private Limited' on 23rd November, 1992, with the Registrar of Companies, Gujarat. However, Company subsequently converted into public company. The name of our Company was also changed from 'Lesha Finstock Private Limited' to 'Ashni Finance Limited' on 27.11.1995. The name of our Company was again changed to Technocorp Infosystems Limited on 27.09.2001

Thereafter The name of our Company was also changed to its present name 'Lesha Industries Limited' and a fresh certificate of incorporation dated August 31, 2009, consequent on such change of name was issued to our Company by the Registrar of Companies, Gujarat. The equity shares of our company got listed on October 07, 2011, with BSE.

REGISTERED OFFICE OF OUR COMPANY

Registered Office: 7th Floor, Ashoka Chambers, Mithakali Six Roads, Ahmedabad-380006, Gujarat, India,
Contact Number: +91-79-26463227
Email-ID: info@lesha.in
Website: www.lesha.in
CIN: L27100GJ1992PLC018607

REGISTRAR OF COMPANIES

The Registrar of Companies, Gujarat
 ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura,
 Ahmedabad-380013, Gujarat


BOARD OF DIRECTORS OF OUR COMPANY

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

Name	Designation	DIN	Age	Address
Ashok Chinubhai Shah	Managing Director	02467830	79 years	98, Lavanya Sociey, Paldi, Ahmedabad, Gujarat-380007
Shalin Ashok Shah	Non-Executive Director	00297447	50 years	98, Lavanya Society, New Vikasgruh Road, Ahmedabad-380007, Gujarat
Chandrakant Chauhan	Independent Director	08057354	30 years	A-8, Shastrinagar Society, Kadi Kalol Road, Opp. Esar Petrol Pamp, Kadi, Mahesana-382715, Gujarat
Daxaben Mahendrakumar Shah	Independent Director	08054390	72 years	24, Maulik Apartment, Nr. Shukhipur, Paldi, Ahmedabad-380007, Gujarat
Kiritbhai Ishwarbhai Patel	Independent Director	03618884	66 years	A/12, Shyam Sattadar Society, Near Kalasagar Mall, Ghatlodia, Ahmedabad-380061, Gujarat
Kailasprasad Bhagvatiprasad Jani	Independent Director	00404091	75 years	17 Perna Kurtir Bungalow, Nr. Sarthi Hotal Vastrapur, Thaltej, Daskroi, Ahmedabad-380059, Gujarat
Leena Ashok Shah	Executive Director	02629934	76 years	98, Lavanya Soc. Paldi, Ahmedabad, Gujarat-380007

For further details, please refer to the chapter titled '**Our Management**' beginning on page 66 of this Draft Letter of Offer.

KEY PERSONNEL AND INTERMEDIARIES

Company Secretary and Compliance Officer	Chief Financial Officer
Miteshkumar Rajgor Address: A-82, Sai Villa Tarsali, nearby gold City Tarsali bypass, Vadodara, Gujarat- 390009, India Contact Details: 8780470075 Email-ID: csmiteshrajgor@gmail.com	Payalben Hiteshkumar Donga Address: C/202, Shivalay Residency, Opp. Nalanda Aaryan, Nr. Gangotri Bunglows, Nikol, Ahmedabad-382350 Contact Details: 07926463227 Email-ID: ashnishalimited@gmail.com
Statutory and Peer Review Auditor	Registrar to the Issue
M/s Keyur Bavishi & Co., Chartered Accountants C-202, Indraprasth Tower, Near Drive-In Cinema, Ahmedabad, Gujarat - 380052 Firm Registration No: 131191W Contact Person: CA KEYUR D. BAVISHI Mem No.: 136571 E-mail ID: bavishikeyur@gmail.com Contact Number: 94281 00470	 Purva Share Registry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg Lower Parel (East), Mumbai-400011 Telephone: +91 022-31998810/ 49614132/49700138 Email: support@purvashare.com Investor Grievance Email: support@purvashare.com Website: www.purvashare.com Contact Person: Deepali Dhuli SEBI Registration No.: INR000001112
Legal Advisor to the Issue	Bankers to the Company
M/s. Vijay S. Tiwari & Associates, PCS Firm 601, Gayatri CHS Ltd., Opp. Rajda School, Behind Pantaloons, Borivali West, Mumbai-400092 Contact Details: +91 9702999723 Contact Person: CS Vijaykumar Tiwari Firm Registration Number: A33084	 ICICI Bank Ltd ICICI Bank Ltd, 227, Ground Floor, G2A, Nariman Bhavan, Nariman Point, Mumbai, Maharashtra, Mumbai, Maharashtra, 400021 Tel No: 8879769912 Email Id: varun.badai@icicibank.com Website: www.icicibank.com
Bankers to the Issue/ Refund Banker	
●	

CHANGES IN THE AUDITORS DURING THE LAST THREE YEARS

There has been no change in the auditors of the Company in the previous 3 (Three) Financial Years prior to the date of filing this Letter of Offer.

INVESTORS GRIEVANCES

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Rights Issue or post-Rights Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' beginning on page 140 of this Letter of Offer.

SELF-CERTIFIED SYNDICATE BANKS

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

EXPERT

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

Our Company has received a written consent from our Statutory Auditors, M/s Keyur Bavishi & Co., Chartered Accountants, to include their name in this Draft Letter of Offer and as an 'expert', as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated February 06, 2024, included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Letter of Offer.

ISSUE SCHEDULE

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

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

Note:

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

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

Please note that if Eligible Shareholders holding Equity Shares who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., [●]

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, or the Registrar to the Issue will not be liable for any loss on account of non-submission of

Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled '*Terms of the Issue*' beginning on page 140 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at www.purvashare.com after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see '*Credit of Rights Entitlements in demat accounts of Eligible Shareholders*' under the section titled '*Terms of the Issue*' beginning on page 140 of this Letter of Offer.

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

CREDIT RATING

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

DEBENTURE TRUSTEE

As the proposed Rights Issue is of Equity Shares, the appointment of debenture trustee is not required.

MONITORING AGENCY

Since the Rights Issue size does not exceed ₹10,000 Lakhs, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI (ICDR) Regulations.

APPRAISING ENTITY

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

UNDERWRITING

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

FILING

Since the size of this Issue falls under the threshold as prescribed under Regulation 3 of the SEBI (ICDR) Regulations, the Letter of Offer had been filed with BSE and will not be filed with SEBI. However, a copy of the Letter of Offer shall be submitted with SEBI for information and dissemination and will be filed with the BSE.

MINIMUM SUBSCRIPTION

Pursuant to the provisions of Regulation 86 of the SEBI (ICDR) Regulations, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

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

CAPITAL STRUCTURE

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

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
Authorised Equity Share capital		
30,00,00,000 (Thirty Crores) Equity Shares	₹3,000.00 Lakhs	-
Issued, subscribed and paid-up Equity Share capital before the Rights Issue		
11,00,00,000 (Eleven Crore) Equity Shares of face value of ₹1.00/- each	₹1,100.00 Lakhs	-
Present Rights Issue in terms of this Draft Letter of Offer⁽¹⁾		
1,76,000,000 (Seventeen Crore Sixty Lakh Only) Equity Shares	₹1,760.00 Lakh	₹4,928.00 Lakh
Securities premium account		
Before the Issue	Nil	
After the Issue ⁽²⁾	[●]	

Assuming full subscription for allotment of Rights Equity Shares.

Note:

- (1) *The present Rights Issue has been authorised by our Board of Directors pursuant to the resolution passed in their meeting conducted on Friday, February 02, 2024.*
- (2) *Assuming full subscription for allotment of Rights Equity Shares.*

NOTES TO THE CAPITAL STRUCTURE

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

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

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

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

7. **Details of Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares**

As on the date of this Letter of Offer, none of the Equity Shares held by the members of the Promoter and Promoter Group of the Company are locked-in, pledged and encumbered;

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

The promoter and promoter group does not acquire any shares in the last one year prior to the filing of this offer letter.

9. Intention and participation by the promoter and promoter group

The Promoters and members of the Promoter Group of our Company through its letters dated Wednesday, February 7, 2024, have agreed to subscribe to the full extent of its Rights Entitlement in this Issue and that they shall not renounce their Rights Entitlements except within the Promoter Group, in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations; and at their sole discretion apply for and subscribe for additional Equity Shares, and any such subscription for additional Rights Equity Shares shall be over and above their Rights Entitlement. Further Our Promoters, Mr. Ashok Chinubhai Shah, Ms. Leena Ashok Shah, Ms. Shalin Ashok Shah and M/s. Lesha Ventures Private Limited has vide its letter dated Wednesday, February 7, 2024, requested and confirmed our Company that the unsecured loan of Rs. 2,041.96 Lakh given by them shall be adjusted towards subscription/application for their or any other promoter/s, entitlement in this Issue and towards additional subscription, if any, to the aggregate amount of Rs. 2,041.96 Lakh, instead of seeking repayment of the same. Thus, a portion of the Issue Proceeds is proposed to be utilised for adjusting the unsecured loans amounting to ₹2,041.96 lakhs availed from our Promoters by way of adjustment towards Promoter's or member of Promoter Group's Right's entitlement subscription /application money and consequently, no fresh Issue proceeds would be received by our Company to such an extent. For further details, please refer to the chapter titled '*Objects of the Issue*' beginning on page 42 of this Letter of Offer.

Further, the Promoters and members of our Promoter Group may also apply for additional Equity Shares along with their Rights Entitlement and/or renunciation. Such subscriptions of Equity Shares over and above its Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above its current percentage shareholding. Any acquisition of additional Equity Shares shall not result in change of control of the management of the Company in accordance with provisions of the SEBI (SAST) Regulations and shall be exempted subject to fulfilment of the conditions of Regulation 10 of the SEBI (SAST) Regulations. The Promoters and members of our Promoter Group acknowledge and undertake that their investment would be restricted to ensure that the public shareholding in the Company after this Issue does not fall below the permissible minimum level as specified in the listing conditions or Regulation 38 of SEBI (LODR) Regulations.

No person connected with this Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in this Issue, except for fees or commission for services rendered in relation to the Issue;

10. Shareholding Pattern of our company

a) The shareholding pattern of our Company as on December 31, 2023 is as follows:

Particulars	BSE Limited's URL
Summary statement holding of specified securities	https://www.bseindia.com/stock-share-price/lesha-industries-ltd/lesha-ind/533602/shareholding-pattern/
Statement showing shareholding pattern of the Promoter and Promoter Group	https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=533602&qtrid=120.00&QtrName=December%202023
Statement showing shareholding pattern of the public shareholder	https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=533602&qtrid=120.00&QtrName=December%202023
Statement showing shareholding pattern of the Non-Promoter- Non-Public shareholder	https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=533602&qtrid=120.00&QtrName=December%202023

Details of disclosure made by the Trading Members holding 1% or more of the Total No. of shares of the company.	https://www.bseindia.com/corporates/shpdrPercent.aspx?scripcd=533602&qtrid=120.00&CompName=LESHA%20INDUSTRIES%20LTD.&QtrName=December%202023&Type=TM
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b. Details of shareholders holding more than 1% of the pre-Issue paid up capital of our Company as on date of this Letter of Offer:

Name of shareholder	Category of shareholder	No. of share holders	No. of fully paid up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
Ashok Chinubhai Shah	Promoter	1	1,00,00,000	1,00,00,000	9.09%	1,00,00,000	9.09%	1,00,00,000
Shalin Ashok Shah	Promoter	1	1,80,79,630	1,80,79,630	16.44%	1,80,79,630	16.44%	1,80,79,630
Leena Ashok Shah	Promoter Group	1	82,00,000	82,00,000	7.45%	82,00,000	7.45%	82,00,000
Lesha Ventures Private Limited	Promoter Group	1	93,00,000	93,00,000	8.45%	93,00,000	8.45%	93,00,000
Total			45,579,630	45,579,630	41.43%	45,579,630	41.43%	45,579,630

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds to:

1. To meet Working Capital Requirements;
2. To purchase of new office.
3. To Marketing & infra development projects expenses
4. To General Corporate Purposes

The main objects of the Memorandum of Association of our Company enable us to undertake the existing activities and the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. The fund requirement and deployment are based on internal management estimates and have not been appraised. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, or other financial conditions, business or strategy.

ISSUE PROCEEDS

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

Particulars	Amount (₹ in Lakhs)
Gross Proceeds from the Issue#	₹4,853.00
Less: Estimated Issue related Expenses	₹75.00
Net Proceeds from the Issue	₹4,928.00

Assuming full subscription in the issue and subject to allotment of Rights Equity Shares

REQUIREMENT OF FUNDS OF THE NET PROCEEDS

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

Particulars	Amount (₹ in lakhs)
To meet Working Capital requirements	₹ 1,200.00
To purchase of new office.	₹ 600.00
Marketing & infra development projects expenses *	₹ 1,902.00
General Corporate Purposes	₹ 1,226.00
Total	₹4,928.00

Assuming full subscription in the issue and subject to allotment of Rights Equity Shares

MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Rights Issue. The fund requirement and deployment are based on our management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

UTILIZATION OF NET PROCEEDS AND SCHEDULE OF IMPLEMENTATION

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

(₹ in Lakhs)

Particulars	Amount to be deployed from Net Proceeds in the Financial Year ending		Total Amount
	March 31, 2024	March 23, 2025	
Augmenting Working Capital requirements of our Company	₹300.00	₹900.00	₹ 1,200.00
To purchase of new office.	-	₹ 600.00	₹ 600.00
* Marketing & infra development projects expenses	₹ 816.00	₹1,086.00	₹ 1,902.00
General Corporate Purposes	-	₹ 1,226.00	₹ 1,226.00
Total Net Proceeds	₹1,116.00	₹3,812.00	₹ 4,928.00

*Issue Proceeds proposed to be used for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

DETAILS OF THE OBJECTS OF THE ISSUE

The details in relation to objects of the Issue are set forth herein below:

1. Meeting Working Capital Requirements

Our business is predominantly working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and unsecured borrowings. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change. The equity infusion through Rights Issue is proposed to meet our increasing working capital requirement that will help in maintaining creditors, debtors, inventory holding levels as per our operations requirement and in order to achieve growth in next 2-3 years and also for maintaining growth pace with Industry going forward. On the basis of our estimated working capital requirements, our Rights Issue Committee pursuant to its resolution dated September 12, 2022, has approved the projected working capital requirements for the Financial Year ending March 31, 2023, and March 31, 2024, the details of which are specified as under:

The details of estimation of Working Capital Requirement (on a standalone basis), is as under:

(₹ in Lakhs)

Sr. No.	Particulars	Restated Audited Financial Statement for the Financial Year ending March 31, 2023	Working Capital Requirements as per the Projected Financials	
			March 31, 2024	March 31, 2025
A	Current Assets			
	Trade Receivables	₹242.87	₹314.43	₹1,150.00
	Cash and Cash Equivalents	₹36.74	₹25.00	₹30.00
	Short-term loans and advances	-	₹5.00	₹10.00
	Inventory	₹2.98	₹3.04	₹814.58
	Other Current Assets	₹40.25	₹40.00	₹50.00
	Total Current Assets (A)	₹382.83	₹287.46	₹2,054.58
B	Current Liabilities			
	Trade Payables	₹127.20	₹60.75	₹325.83
	Other Financial liabilities	₹157.72	₹10.00	₹15.00
	Other Current Liabilities	₹81.64	₹5.00	₹10.00

	Short Term Provision	₹2.69	₹25.73	₹138.00
	Total Current Liabilities (B)	₹369.25	₹101.49	₹488.83
C	Total Working Capital Requirements (A-B)	₹-46.41	₹185.97	₹156.58
D	Funding Patterns			
	Internal Accruals/Unsecured Loans	₹36.99	₹60.04	₹322.00
	Out of Net Proceeds of the Issue	₹-83.40	₹125.93	₹124.38

Assumptions on the Working Capital requirements:

We have estimated our working capital requirements based on the following holding periods:

	Particulars	March 31, 2023	March 31, 20224	March 31, 2025
1	Sundry Debtors Holding Period (Months)	4.22	3.00	3.00
2	Inventory Holding Period (Months)	0.06	0.05	2.5
3	Sundry Creditors Holding Period (Months)	2.48	1	1

Justification for “Holding period” levels

Particulars	30-Sep-2023 (Audited)	31-Mar-24 (Projected)	31-Mar-25 (Projected)	Justification
TradeReceivables	₹242.87	₹314.43	₹1,150.00	The increase in trade receivables reflects a proactive sales strategy, including extended credit terms to support projected revenue growth and foster customer loyalty.
TradePayables	₹127.20	₹60.75	₹325.83	The progression in trade payables signifies a deliberate extension of payment cycles, optimizing cash flows, negotiating favourable terms, and potentially capitalizing on early payment discounts.
Inventories	₹2.98	₹3.04	₹814.58	The rise in inventory levels aligns with anticipated production and sales growth, ensuring the company maintains adequate stock levels to meet demand and support operational efficiency.

2. **Repayment of the Promoter Loan by adjusting the same against their application money to the extent of their subscription and allotment of the Rights Equity Shares to them under the issue, whether pursuant to their Rights Entitlements (including Rights Entitlements renounced in their favour, if any) or subscription to Additional Rights Equity Shares (as the case may be) and consequently, no fresh proceeds would be received by our Company to that extent.**

Since the Company is in a working capital-intensive industry and requires working capital on a continuous, ongoing and urgent basis, the Promoters have time and again been advancing unsecured loans to the Company for its day-to-day requirements at various intervals. As on date of this Letter of Offer, our Company has availed

unsecured loans amounting to ₹ 2,041.96 lakhs from our Promoters namely Mr. Ashok Chinubhai Shah, Ms. Leena Ashok Shah, Ms. Shalin Ashok Shah and M/s. Lesha Ventures Private Limited primarily to meet its urgent fund needs. These loans are repayable on demand and there are no penalties for prepayment. The interest rate on such unsecured loans is mutually agreed between our promoters and our Company.

Sr. No	Name of the Entity	Outstanding Unsecured Loan (₹ in Lakhs)	Proposed Adjustment from the Net Proceeds (₹ In Lakhs)
1.	Mr. Ashok Chinubhai Shah	₹450.00	₹448.00
2.	Ms. Leena Ashok Shah	₹368.00	₹367.36
3.	Ms. Shalin Ashok Shah	₹810.00	₹809.96
4.	M/s. Lesha Ventures Private Limited	₹417.00	₹416.64
	TOTAL	₹2045.00	₹2041.96

Our Statutory auditors M/s. Keyur Bavishi & Co., Chartered Accountants, have given a Certificate dated 06.02.2024 that our Company has availed a Loan of Rs. 2,041.96 Lakh from Mr. Ashok Chinubhai Shah, Ms. Leena Ashok Shah, Ms. Shalin Ashok Shah and M/s. Lesha Ventures Private Limited and the same is outstanding as on 02.02.2024

The Promoters and members of the Promoter Group of our Company through their letters dated Wednesday, February 7, 2024, have agreed to subscribe to the full extent of their Rights Entitlement in this Issue and that they shall not renounce their Rights Entitlements except within the Promoter Group, in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations; and at their sole discretion apply for and subscribe for additional Equity Shares, and any such subscription for additional Rights Equity Shares shall be over and above their Rights Entitlement. Mr. Ashok Chinubhai Shah, Ms. Leena Ashok Shah, Ms. Shalin Ashok Shah and M/s. Lesha Ventures Private Limited has vide its letter dated Wednesday, February 7, 2024, requested and confirmed our Company that the unsecured loan of Rs. 2,041.96 Lakh given by them shall be adjusted towards subscription/application for their or any other promoter/s, entitlement in this Issue and towards additional subscription, if any, to the aggregate amount of Rs. 2,041.96 Lakh, instead of seeking repayment of the same. Thus, a portion of the Issue Proceeds is proposed to be utilised for adjusting the unsecured loans amounting to ₹2,041.96 lakhs availed from our Promoters by way of adjustment towards Promoter's or member of Promoter Group's Right's entitlement subscription /application money and consequently, no fresh Issue proceeds would be received by our Company to such an extent.

Further, the Promoters and members of our Promoter Group may also apply for additional Equity Shares along with their Rights Entitlement and/or renunciation. Such subscriptions of Equity Shares over and above its Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above its current percentage shareholding. Any acquisition of additional Equity Shares shall not result in change of control of the management of the Company in accordance with provisions of the SEBI (SAST) Regulations and shall be exempted subject to fulfilment of the conditions of Regulation 10 of the SEBI (SAST) Regulations. The Promoters and members of our Promoter Group acknowledge and undertake that their investment would be restricted to ensure that the public shareholding in the Company after this Issue does not fall below the permissible minimum level as specified in the listing conditions or Regulation 38 of SEBI (LODR) Regulations.

Any such acquisition of Additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempted in terms of Regulation 10(4)(b) of the SEBI Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI (SAST) Regulations. Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Interest of Promoters and Directors in the objects of the Issue

Mr. Ashok Chinubhai Shah, Ms. Leena Ashok Shah, Ms. Shalin Ashok Shah and M/s. Lesha Ventures Private Limited our Promoters has, vide it's letters dated Wednesday, February 7, 2024, confirmed that an amount of

₹2,041.96 Lakhs which has been availed by our Company as on March 31st 2023 in the nature of unsecured loans as per the details mentioned in the above table, is proposed to be adjusted towards the application money to be received by the Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from our Promoters, any member or members of Promoter Group to the extent of their entitlement, renunciation of entitlement in favour of the members of Promoter Group (if any) in the Issue, as well as towards application money for Additional Rights Equity Shares to be applied for by them for the unsubscribed portion, in part or full, as the case may be, in the Issue. Consequently, no fresh Issue proceeds would be received by our Company to such an extent.

3. *Expenses for the Issue*

The Issue related expenses consist of fees payable to the Legal Counsel, processing fee to the SCSBs, Registrar to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the BSE Limited. Our Company will need approximately ₹75.00 Lakhs towards these expenses, a break-up of the same is as follows:

Activity	Estimated Expense (₹ in Lakhs)	% of Total Expenses	As a % of Issue size
Fees of RTA, and legal advisor, other professional service providers	₹14.00	19.25%	0.50%
Fees payable to regulators, including depositories, Stock Exchange, and SEBI	₹14.00	19.25%	0.50%
Statutory advertising, marketing, printing and distribution	₹29.00	39.87%	1.04%
Other expenses (including miscellaneous expenses and stamp duty)	₹15.73	21.63%	0.56%
Total	₹75.00	100.00%	2.60%

4. *General Corporate Purposes*

The Net Proceeds will first be utilized for the Objects as set out above. Subject to this, our Company intends to deploy balance left out of the Net Proceeds, aggregating to ₹1226.00 Lakhs, towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds from the Issue, in compliance with the SEBI (ICDR) Regulations. Such general corporate purposes may include, but are not restricted to, (i) strategic initiatives; (ii) funding growth opportunities; (iii) strengthening marketing capabilities and brand building exercises; (iv) meeting ongoing general corporate contingencies; (v) expenses incurred in ordinary course of business; and (vi) any other purpose, as may be approved by our Board or a Rights Issue Committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

APPRAISAL

None of the Objects of the Issue have been appraised by any bank or financial institution.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

The Net Proceeds are currently expected to be deployed in during Fiscal Years 2022-23, and 2023-24.

SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED

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

BRIDGE FINANCING FACILITIES

We have not availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue.

INTERIM USE OF PROCEEDS

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

MONITORING OF UTILISATION OF FUNDS

Since the proceeds from the Issue are less than ₹10,000 Lakhs, in terms of Regulation 41(1) of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for this Rights Issue. However, as per SEBI (LODR) Regulations, our Board/ Rights Issue Committee would be monitoring the utilization of the proceeds of the Rights Issue. The Company will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate investments, if any, of unutilized Issue Proceeds in the Balance Sheet of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI (LODR) Regulation, the Company shall furnish to BSE Limited, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

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

Except for, Our Promoters Mr. Ashok Chinubhai Shah, Ms. Leena Ashok Shah, Ms. Shalin Ashok Shah and M/s. Lesha Ventures Private Limited have vide letter dated Wednesday, February 7, 2024 has requested our Company to adjust unsecured loan amounting to ₹2,041.96 lakhs against their entitlement, including additional subscription, if any, instead of seeking a repayment of the same, none of the other Promoters, members of the Promoter Group and the Directors are interested in the Objects of the Issue.

VARIATION IN OBJECTS

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the ***‘Postal Ballot Notice’***) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice 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.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
LESHA INDUSTRIES LIMITED
7th Floor, Ashoka Chambers, Mithakali Six Roads, Ahmedabad-380006

Sub: Statement of possible special tax benefits available to Lesha Industries Limited and its shareholders under the applicable direct and indirect taxation laws in India (“the Statement”)

Re: Proposed rights issue of equity shares of face value of ₹ 1 each (“Equity Shares”) by Lesha Industries Limited (the “Company” and such offering, the “Issue”)

Dear Sirs,

We hereby report that the enclosed annexure prepared by the management of **Lesha Industries Limited**, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, its shareholders and its subsidiary and the same would include those benefits as enumerated in the statement. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders and do not cover any general tax benefits available to them. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

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

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

1. The Company or its shareholders will continue to obtain these benefits in future; or
2. The conditions prescribed for availing the benefits have been/would be met
3. the revenue authorities' courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. 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 events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For M/s. Keyur Bavishi& Co.,
Chartered Accountants,
FRN: 131191W
C-202, Indraprasth Tower,
Near Drive-In Cinema, Ahmedabad,
Gujarat - 380052**

**KEYUR D. BAVISH
Proprietor
Membership No.:136571
Place: Ahmedabad
Date:
UDIN:**

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholder under the Income Tax Act 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

A. SPECIAL TAX BENEFITS TO THE COMPANY: NIL

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER: NIL

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. 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.

SECTION VI – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

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

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INTRODUCTION

INDUSTRY OVERVIEW & INDIAN MANUFACTURING SECTOR

Introduction

Indian Economy Review and Outlook

SECTION IV: ABOUT OUR COMPANY INDUSTRY OVERVIEW

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices (2011-12) in the first quarter of 2023–24 is estimated at ₹ 40.37 trillion (US\$ 484.94 billion), showing a growth of 7.8% as compared to the first quarter of 2022-23 estimated at ₹ 37.44 trillion (US\$ 449.74 billion). Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. In 2023-24 (April-September), India's service exports stood at US\$ 164.89 billion. Furthermore, India's overall exports (services and merchandise) in 2023-24 (April-September) were estimated at US\$ 376.29 billion. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing pent-up demand over the period of April-December 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

MARKET SIZE

India's nominal gross domestic product (GDP) at current prices is estimated to be at ₹ 301.75 trillion (US\$ 3.62 trillion) in 2023-24. Additionally, the Nominal GDP at current prices in Q1 of 2023-24 was ₹ 70.67 trillion (US\$ 848.92 billion), as against ₹ 65.42 trillion (US\$ 785.85 billion) in 2022-23, estimating a growth of 8%. With 115 unicorns valued at more than US\$ 350 billion, as of February 2023, India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) decreases to US\$ 9.2 billion in Q1 of 2023-24 from US\$ 17.9 billion in Q1 of 2022-2023.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- As of August 2023, India's foreign exchange reserves stood at US\$ 594.90 billion.
- In the first half of 2023-24, India saw a total of US\$ 21 billion in PE-VC investments.
- Merchandise exports in September 2023 stood at US\$ 34.47 billion, with total merchandise exports of US\$ 211.40 billion during the period of April-September (2023-24).
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- PMI Services remained comfortably in the expansionary zone at 62.3 in the month of June 2023.
- In September 2023, the gross Goods and Services Tax (GST) revenue collection stood at ₹1,62,712 crore (US\$ 19.54 billion), of which CGST is ₹ 29,818 crore (US\$ 3.58 billion), SGST is ₹ 37,657 crore (US\$ 4.52 billion), IGST is ₹ 83,623 crore (US\$ 10.04 billion).
- Between April 2000-June 2023, cumulative FDI equity inflows to India stood at US\$ 937.58 billion.
- In August 2023, the overall IIP (Index of Industrial Production) stood at 145.1. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 111.9, 143.5 and 220.5, respectively, in August 2023.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.02% in September 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to ₹ 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold ₹ 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested ₹ 22,000 crore (US\$ 2.67 billion) in India during the first week of July 2023.

- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- On August 6th, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.

- On June 28th, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.

- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.

- In order to enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.

- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of ₹ 1,500 crore (US\$ 182.35 million).

- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1st, 2023.

- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29th, 2022 by the Ministry of Railways.

- On October 7th, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).

- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.

- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.

- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).

- In August 2022, a Special Food Processing Fund of ₹ 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.

- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build- Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of ₹ 5,963 crore (US\$ 747.64 million).

- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.

- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20th, 2022, for establishing the cheetah into the historical range in India.

- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (₹) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14th, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth ₹ 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11th, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than ₹ 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30th, 2022.
- 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).
- 'Mission Shakti' was applicable with effect from April 1st, 2022, aimed at strengthening interventions for women's safety, security and empowerment.
- The Union Budget of 2022-23 was presented on February 1st, 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 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to ₹ 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- 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, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- 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 trillion (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 ₹ 2,500 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 trillion (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.
- In November 2020, the Government of India announced ₹ 2.65 trillion (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 the 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, the 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 29th, 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 31st, 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 FY23; it is expected to raise ₹ 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1st, 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, 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 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 expected to increase public health spending to 2.5% of the GDP by 2025.

Market size

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

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

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

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

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

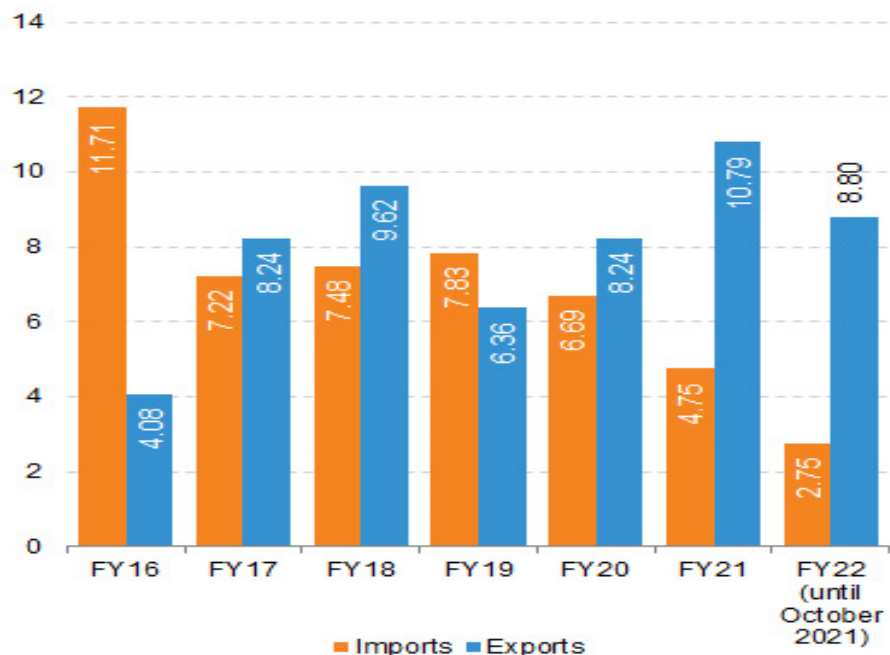
The per-capita consumption of steel stood at 86.7 kgs in FY23.

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

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

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

Finished steel export and import (in million tonnes)



Investments

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

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

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

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

- In July 2023, Union Minister Mr. Jyotiraditya Scindia announced that Japan is eager to invest ¥ 5 trillion (US\$ 36 billion), in various sectors in India, including steel.
- As announced in May 2023, INOX Air Products will invest Rs. 1,300 crore (US\$ 157.5 million) to set up two air separation units having a capacity of 1,800 tonnes a day each at Tata Steel's plant in Dhenkanal, Odisha.
- In May 2023, the industry body Indian Steel Association (ISA) announced signing an agreement with the ASEAN Iron and Steel Council (AISC) to unlock new avenues of growth and sustainability in the steel sector.

- Mr. Jyotiraditya M. Scindia, the Union Minister of Steel, and Mr. Nishimura Yasutoshi, the Minister of Economy, Trade, and Industry of Japan, held a bilateral meeting on July 20, 2023, in New Delhi to discuss collaboration in the steel sector and issues relating to decarbonisation.
- AMNS India is planning to spend US\$ 7.4 billion on expanding capacity and increasing its value-added investments in both its upstream and downstream capacities and enhancing its iron ore capabilities.
- In May 2023, JSW Steel and JFE Steel, signed an agreement to set up a JV company to manufacture the entire range of cold rolled grain-oriented electrical steel (CRGO) products at Vijaynagar in Karnataka.
- In April 2023, AMNS India, a joint venture between ArcelorMittal and Nippon Steel, received approval from India's regulatory body (NCLT) to acquire Indian Steel Corporation.
- Tata Steel in April 2023, informed that it has signed an agreement with A&B Global Mining to harness new business development opportunities and deliver my technical services. The steel major will closely work with ABGM India which will interface with their South African entity to explore business opportunities in India and abroad besides utilising each other's technical and strategic strengths to deliver projects across the mining and metals, including the steel value chain.
- 67 applications from 30 companies have been selected under the Production Linked Incentive (PLI) Scheme for Specialty Steel. This will attract committed investment of Rs. 42,500 crore (US\$ 5.19 billion) with a downstream capacity addition of 26 million tonnes and employment generation potential of 70,000.
- In September 2022, Steel Authority of India Limited (SAIL), a Maharatna PSU, supplied 30,000 tonnes of the entire DMR grade specialty steel for the nation's first indigenously built Aircraft Carrier INS Vikrant.
- In August 2022, Tata Steel signed an MoU with Punjab Government to set up a steel scrap based electric arc furnace steel plant.
- In May 2022, Tata Steel announced a CAPEX of Rs. 12,000 crore (US\$ 1.50 billion).
- In October 2021, Tata Steel was planning to set up more scrap-based facilities that will have a capacity of at least a billion tonnes by 2025.
- In October 2021, JSW Steel invested Rs. 150 billion (US\$ 19.9 million) to build a steel plant in Jammu and Kashmir and boost manufacturing in the region.
- In October 2021, ArcelorMittal and Nippon Steel Corp.'s joint venture steel firm in India, announced a plan to expand its operations in the country by investing ~Rs. 1 trillion (US\$ 13.34 billion) over 10 years.
- In August 2021, Tata Steel announced to invest Rs. 8,000 crore (US\$ 1.08 billion) in capital expenditure to develop operations in India in FY22.
- In August 2021, ArcelorMittal announced to invest Rs. 1 lakh crore (US\$ 13.48 billion) in Gujarat for capacity expansion.
- In August 2021, Tata Steel announced to invest Rs. 3,000 crore (US\$ 404.46 million) in Jharkhand to expand capacities over the next three years.
- In August 2021, Jindal Steel & Power Ltd. announced plans to invest US\$ 2.4 billion to increase capacity over the next six years to meet the rising demand from customers.

- **In the next three years from June 2021, JSW Steel is planning to invest Rs. 47,457 crore (US\$ 6.36 billion) to increase Vijayanagar's steel plant capacity by 5 MTPA and establish a mining infrastructure in Odisha**

Global Macroeconomic Overview

High uncertainty surrounds the global economic outlook, primarily related to the path of the pandemic. The contraction of activity in 2020 was unprecedented. After an estimated contraction of –3.3 percent in 2020, the global economy is projected to grow at 6 percent in 2021, moderating to 4.4 percent in 2022. The contraction for 2020 is smaller than projected in the October 2020 World Economic Outlook (WEO), reflecting the higher-than-expected growth outturns in the second half of the year for most regions after lockdowns were eased and as economies adapted to new ways of working. Global growth is expected to moderate to 3.3 percent over the medium term—reflecting projected damage to supply potential and forces that predate the pandemic, including aging-related slower labour force growth in advanced economies and some emerging market economies. However, emerging market economies and low-income developing countries have been hit harder and are expected to suffer more significant medium-term losses.

Government Initiatives

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

- In October 2021, the government announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme.
- In October 2021, India and Russia signed an MoU to carry out R&D in the steel sector and produce coking coal (used in steel making).
- In July 2021, the Union Cabinet approved the production-linked incentive (PLI) scheme for specialty steel. The scheme is expected to attract investment worth ~Rs. 400 billion (US\$ 5.37 billion) and expand specialty steel capacity by 25 million tonnes (MT), to 42 MT in FY27, from 18 MT in FY21.
- In June 2021, Minister of Steel & Petroleum & Natural Gas, Mr. Dharmendra Pradhan addressed the webinar on 'Making Eastern India a manufacturing hub with respect to metallurgical industries', organised by the Indian Institute of Metals. In 2020, 'Mission Purvodaya' was launched to accelerate the development of the eastern states of India (Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh) through the establishment of an integrated steel hub in Kolkata, West Bengal. Eastern India has the potential to add >75% of the country's incremental steel capacity. It is expected that of the 300 MT capacity by 2030-31, >200 MT can come from this region alone.
- In June 2021, JSW Steel, CSIR-National Chemical Lab (NCL), Scottish Development International (SDI) and India H2 Alliance (IH2A) joined forces to commercialise hydrogen in the steel and cement sectors.
- Under the Union Budget 2023-24, the government allocated Rs. 70.15 crore (US\$ 8.6 million) to the Ministry of Steel.
- In addition, an investment of Rs. 75,000 crore (US\$ 9.15 billion) (including Rs. 15,000 crore (US\$ 1.83 billion) from private sources) has been allocated for 100 critical transport infrastructure projects for last and first mile connectivity for various sectors such as ports, coal, and steel.
- In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India–Japan Steel Dialogue.
- The Union Cabinet, Government of India approved the National Steel Policy (NSP) 2017, as it intends to create a globally competitive steel industry in India. NSP 2017 envisage 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.

- The Ministry of Steel is facilitating the setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs. 200 crore (US\$ 30 million).
- The Government of India raised import duty on most steel items twice, each time by 2.5% and imposed measures including anti-dumping and safeguard duties on iron and steel items.

Road ahead

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

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

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

BUSINESS OVERVIEW

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For the purpose of discussion of certain risks in connection with investment in the Equity Shares, you should read 'Risk Factors' beginning on page 21 of this Draft Letter of Offer, and for the purpose of discussion of the risks and uncertainties related to those statements, as well as for the discussion of certain factors that may affect our business, financial condition, you should read 'Financial Statements' beginning on page 77 of this Draft Letter of Offer.

Lesha Industries Limited (Formerly Known as Lesha Finstock Private Limited) was originally incorporated under the provisions of The Companies Act, 1956 as 'Lesha Finstock Private Limited' on 23rd November, 1992, with the Registrar of Companies, Gujarat. However, Company subsequently converted into public company the name of our Company was also changed from 'Lesha Finstock Private Limited' to 'Ashni Finance Limited' on 27.11.1995. The name of our Company was again changed to Technocorp Infosystems Limited on 27.09.2001 Thereafter The name of our Company was also changed to its present name 'Lesha Industries Limited' and a fresh certificate of incorporation dated August 31, 2009, consequent on such change of name was issued to our Company by the Registrar of Companies, Gujarat. The Equity Shares of our Company got listed on October 07, 2011, with BSE. The registered office of our Company is located at Ashoka Chambers, 7th Floor, Mithakhali Six Roads, Ahmedabad, Gujarat, 380006, India.

Lesha Industries Limited was founded in 1992. The company primarily is into business of trading and of various steels products and in the business of Trading of Goods. The company also operates in the business of chemical products.

OUR PRODUCT RANGE

Products and Services:

Our company is primarily engaged in the trading of following steel products:

Sr. No.	Name of the product	Description
1.	TMT Bars	Our company mainly engaged in the trading of TMT Bars. Company sells TMT Bars of 25 ,20, 16, 12, 10 and 8 m.m.
2.	Round Bars	Our company also trades in round bars. It is available in various diameters; these bars are extensively used for engineering component, forging industry, foundation bolts and shafting's.
3.	Angles	Angle bars are steel bars that are used as support for corners and outer rims that are used for various walls and surfaces. Angle bars are applied to surfaces using drilled fastening methods or through welding. Angle bars are usually L shaped, and when fitted together, can create inside angles and outside angles.
4.	MS Bars	Mild steel bars or MS Bars are used for tensile stress of RCC (Reinforced cement concrete) slab beams etc. in reinforced cement concrete work. These steel bars are plain in surface and are round sections of diameter from 6 to 50 mm. These rods are manufactured in long lengths and can be cut quickly and bent easily without damage. Mild steel is used for remelting, alloying and manufacturing of fabrication of various structures. The Steel generally made of low Carbon and Silicon. The yield strength values are very low for Mild Steel; Therefore, it is not used for

		special purpose of reinforcing and heavy structure manufacturing.
5.	Channels	Steel channels are used ideally as supports and guide rails. These are roll-formed products. There are certain variations that are available in the channels category, the categorization is mainly on the shape of the channel, the varieties are- J Channels, Hat channels, U channels, Hemmed channels etc. The steel angles are used in construction, appliances, transportation, making signposts, used in wood flooring for athletic purposes, installing and making windows and doors.

TRADING IN OTHER GOODS

The company also operates in the business of chemical products.

CHEMICAL COMPOUNDS

The company carry out the business of trading in all types, sizes and kinds of chemical compounds (organic and inorganic) in all forms (solid, liquid and gaseous) and of all kinds of organic heavy chemicals, acids, alkalies, tannin extracts solvents, dye stuffs, dyes, intermediates, bulk drugs and its intermediates colour, chemical auxiliaries, biochemicals, and its related preparations, articles and products either in or outside India. company also trades in Liquid bromine. Liquid bromine is a reddish-brown liquid that is used in many fire-retardant compounds. It is also used in the agro and pharma chemicals industries.

KEY STRENGTHS

1. **Wide Products Range**

The company primarily is into business of trading of various steels products. The Products offered by the company are wide and have application in various fields. This will help our new line of business to grow and expand.

2. **Quality Assurance**

Our Company is dedicated towards quality of our products which will help us to maintain long term relations with our customers and has also facilitate us to entrench with new customers. Our Company's this dedication and quality commitment will help it in its new diversified business.

3. **Experienced Management Team**

The management team has immense knowledge of the new line of business and industry. They also have over 20 years of experience in various industries.

The Promoters and Directors have been involved in the day- to- day business and management of our Company. We also have a dedicated and experienced management group who are in charge of operation, quality management and delivery to each of our customers and functions well as a team along-with the expertise and vision to expand our business. We believe that our management team's experience and their understanding of the relevant industry will enable us to continue to take advantage of both current and future market opportunities. Our experience together with our consistent and successful track record of timely delivery and customer satisfaction provides us a competitive edge.

BUSINESS STRATEGIES

1. Optimize Cost and Efficiencies

Our Company seeks to expand and enhance our presence in our existing business by identifying markets where we can provide cost effective, technically advanced products to our customers. Our Company plans to cater to various customers from different geographical locations. Our Company would also aim to build-up our sales force which will enable us to effectively market our products. We regularly analyze our existing policies to be carried out for our technical and designing process which enables us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

2. Expand our Current Business Relationships

Our goal is to build long-term sustainable business relationships with our customers to generate increasing revenues. We plan to continue to expand the scope and range of products provided to our existing customers by continuing to build our expertise and extending our capabilities. we are also going to set-up new office premises to ensure efficiency, productivity, and a conducive work environment.

SALES, MARKETING, AND DISTRIBUTION

As part of customer acquisition strategy, we provide value added services to our customers. We conduct our marketing and advertising campaigns on both local and regional bases.

Our Company has marketing and sales distribution channel all over India. Company has in place a Dealer Policy Manual which guides on the method of selection of dealers, criteria used to select, setting commercial terms and monitoring of performance. Company has a Dealer Price List which are circulated to all Authorized Dealers and revised/reviewed from time to time. Company will focus on dealer promotional activities, training and providing after sales service support while actual counter sales will be done by the dealers/shopkeepers. Company will spend reasonable amount in marketing and infrastructure projects to reach out to more customers.

DESCRIPTION OF SUBSISTING COLLABORATIONS

As on date of this Draft Letter of Offer, our Company does not have any collaboration's nor any performance guarantee or assistance in marketing by the collaborators, infrastructure facilities for raw materials and utilities like water, electricity, etc for our products and services.

HISTORY AND CORPORATE STRUCTURE

BRIEF CORPORATE HISTORY OF OUR COMPANY

Lesha Industries Limited (Formerly Known as Lesha Finstock Private Limited) was originally incorporated under the provisions of The Companies Act, 1956 as 'Lesha Finstock Private Limited' on 23rd November, 1992, with the Registrar of Companies, Gujarat. However, Company subsequently converted into public company. The name of our Company was also changed from 'Lesha Finstock Private Limited' to 'Ashni Finance Limited' on 27.11.1995. The name of our Company was again changed to Technocorp Infosystems Limited on 27.09.2001.

Thereafter The name of our Company was also changed to its present name 'Lesha Industries Limited' and a fresh certificate of incorporation dated August 31, 2009, consequent on such change of name was issued to our Company by the Registrar of Companies, Gujarat. The equity shares of our company got listed on October 07, 2011, with BSE.

Our Company is bearing Scrip ID 'LESHAIND', Scrip Code '533602', and ISIN 'INE050L01048'. The Corporate Identification Number of our Company is L27100GJ1992PLC018607.

CHANGES IN OUR REGISTERED OFFICE

There is no change in the registered office of our Company situated at Ashoka Chambers, 7th Floor, Mithakhali Six Roads, Ahmedabad, Gujarat, 380006, India.

MAIN OBJECTS OF OUR COMPANY

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1. To carry on and undertake as its principal business, the business of finance investment and to finance lease operation of all kinds of purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may think fit and to assist in financing of all every kind and description of the purchase of deferred payment or similar transactions and to subsidise, finance or assist in subsidising or financing the sale maintenance of any goods, articles or commodities of all and every kind and description upon any land and buildings, plant and machinery equipment, ships, aircraft, automobiles, computers and all consumer commercial and industrial items regardless of whether the property purchased by new and or used and from India or from any part of the world.
2. To finance industrial enterprise and to lend and advance money to entrepreneurs promoters and industrial concerns, (whether directly or indirectly).
3. To acquire and hold shares, stocks, debentures or other securities and to carry on the activities of investment Company.
4. To carry on business of Information Technology and Information Technology related. Entrepreneurial Resources Planning, Medical Transcription, E-Security, E-Business, Placements of its Professionals. Remote Data Processing, IT Enabled Services, Internet, Internet facility Management, Management Systems, Software Developer, Software Training and Management Training, set up of Information Technology Institutes, to manufacture, Import Export, buy, sell, develop or otherwise deal in all branches of Electronics, Computer Software and Hardware, to run Data Processing / Computer Centres, to offer consultancy in Data Processing Systems. Telecommunication, Telecommunication related, communication systems, Satellite and Satellite related. Software and Software related Network and Networking related, E-Commerce and E-Commerce related, develop new techniques for computer software and hardware technology and generally all business related to Electronics, computers, Computing's, Information Technology and high Technology Products of all kinds. both in Indian and Overseas, water supply, sanitation, townships and other or properties which may seem calculated directly or advance the company's and interest either in consideration of a gross sum of a rent charged in cash or services.

5. To set up, operate, fabricate, market and deal in steel furnace, steel rolling mills, steel rolling plant and to re-roll mild, low, medium, high carbon and alloy steel and alloy cold rolled and hot rolled strips, refine alloy and manufacture ingots, skelped billets of special steel and alloy steels and to act as steel makers, steel converters ship breakers and to manufacture metallurgical products in all forms.
6. To carry on the business as manufacturers, formulators, processors, producers, makers, buyers, sellers, re-sellers, importers, exporters, distributors, suppliers, fermentations, distillers, refiners, stockists, agents, merchants, of and dealers in all types, sizes and kinds of chemical compounds (organic and inorganic) in all forms (solid, liquid and gaseous) and of all kinds of organic heavy chemicals, acids, alkalis, tannin extracts solvents, dye stuffs, dyes, intermediates, bulk drugs and its intermediates colour, chemical auxiliaries, biochemicals, and its related preparations, articles and products either in or outside India

CHANGES IN MEMORANDUM OF ASSOCIATION

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	To increase the Authorised Share Capital of the Company – Ordinary Resolution and change in object	August 17, 2009	EGM
2.	To increase the Authorised Share Capital of the Company – Ordinary Resolution	December 17, 2011	EGM
3.	“split/sub-division of equity shares of the Company from face value of Rs. 10/- (Rupees Ten only) each to face value of Re. 1/- (Rupee One only) each”	February 28, 2019	EGM
4.	Insertion of new object in the object clause of Memorandum of Association of the Company.	September 29, 2021	AGM
5.	Change the Name of the Company - Special Resolution	November 29, 2021	EGM
6.	To increase the Authorised Share Capital of the Company – Ordinary Resolution	18th August, 2023	AGM

OUR MANAGEMENT

BOARD OF DIRECTORS

Our Articles of Association provide that our Board shall consist of minimum 3 (Three) Directors and not more than 15 (Fifteen) Directors, unless otherwise determined by our Company in a general meeting.

As on date of this Draft Letter of Offer, our Company currently has 6 (six) directors on its Board, 1 (One) Executive Directors, 1 (One) Non-Executive and 4 (Four) Independent Directors. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations, to the extent applicable.

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

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other Directorships
Mr. Ashok Chinubhai Shah Designation: Executive Director-Chairperson related to Promoter-MD DIN: 02467830 Date of Birth: 07/09/1944 Age: 78 years Occupation: Business Address: 98, Lavanya Soceity, Paldi, Ahmedabad-380007, Gujarat, India Nationality: United States of America Original Date of Appointment: 27/01/2010 Date of Re-appointment/ Regularization: 20/06/2023 Current Term: Five years w.e.f June 20,2023 Qualification: An Engineering Graduate Experience: He has studied in USA and is holding Engineering and administrative degrees and is having technical and administrative experience with various American Companies viz- worked as a Plant Manager for 11 years with M/s IBM Corporation, USA; worked as Area Manager for North Western Region for M/s. Prudential Insurance Co., USA for 8 years, were also associated with NYSE as Licensed Broker with Merry II Lynch Corp., USA. He has more than 30 years of experience in Steel Trading and Manufacturing Business in India. Role in the Company: Mr. Ashok Chinubhai Shah is, well qualified, and experienced and his appointment as a Managing Director will help the Company to plan, enter and grow in new business areas. His strong administrative and organisational skills will help the Company in managing its new and growing business.	<ol style="list-style-type: none"> 1. Gujarat Natural Resources Limited 2. Ashoka Metcast Limited 3. Ashnisha Industries Limited 4. Rhetan Tmt Limited 5. Lesha Ventures Private Limited
Mr. Shalin Ashok Shah Designation: Non-Executive - Non-Independent Director DIN: 00297447 Date of Birth: 31/08/1973 Age: 49 years Occupation: Business Address: 98, Lavanya Soceity, Paldi, Ahmedabad Gujarat India 380007 Nationality: United States of America Original Date of Appointment: 21/07/1995 Date of Re-appointment/ Regularization: 21/07/1995	<ol style="list-style-type: none"> 1. Gujarat Natural Resources Limited 2. Ashoka Metcast Limited 3. Ashnisha Industries Limited 4. Lesha Ventures Private Limited 5. Rhetan Tmt Limited

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other Directorships
<p>Qualification: An Engineering Graduate Experience: He completed his Civil Engineering from L. D. Engineering College, Ahmedabad. He has more than 20years' experience in various fields like trading, real estate, oil and gas exploration etc. and has vast exposure into the fields of management, finance, accounting, information technology and legal. He has been guiding force behind the growth and business strategy of our Company</p>	
<p>Mr. Chandrakant Chauhan Designation: Non-Executive - Independent Director DIN:08057354 Date of Birth:12/07/1993 Age:30years Occupation: Business Address: A-8, Shastrinagar Society Kadi Kalol Road, Opp. Esar Petrol Pamp, KadiMahesanaGujarat-382715India Nationality: Indian Original Date of Appointment:23/03/2019 Date of Re-appointment/ Regularization: August 18, 2023 Current Term: 5 (Five) Years w.e.f August 18, 2023 Qualification: B. Com Experience: He has rich marketing experience of more than 5 years. Moreover, he has dynamic qualities and managerial skills will be beneficial for the future growth and development of the Company</p>	<ol style="list-style-type: none"> 1. Gujarat Natural Resources Limited 2. Ashnisha Industries Limited
<p>Mrs. Daxaben Mahendrakumar Shah Designation: Non-Executive - Independent Director DIN:08054390 Date of Birth:27/06/1951 Age:72 years Occupation: Self-Employed Address:24, Maulik Apartment, Nr. Sukhipur, Paldi, Ahmedabad, Gujarat, India 380007 Nationality: Indian Original Date of Appointment:28/02/2022 Date of Re-appointment/ Regularization:30/03/2022 Current Term: 5 years w.e.f. 30/03/2022 Qualification: undergraduate Experience: has sound knowledge of investment and portfolio management. Her capability and valuable experience will help the Company in taking important decision in the interest of the Company as well as shareholders</p>	<ol style="list-style-type: none"> 1. Ashnisha Industries Limited 2. Ashoka Metcast Limited
<p>Mr. Kiritbhai Ishwarbhai Patel Designation: Non-Executive - Independent Director DIN: 03618884 Date of Birth: 27/06/1957 Age: 66 years Occupation: Business Address: A/12, Shyam Sattadar Society, Near Kalasagar Mall, Ghatlodia, Ahmedabad, Gujarat, 380061 Nationality: Indian Original Date of Appointment:02/09/2022 Date of Re-appointment/ Regularization: September 28, 2022</p>	<ol style="list-style-type: none"> 1. Riddhi Devi Electricals Private Limited

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original date of appointment, Change in designation and Period of Directorship	Other Directorships
Current Term: 5 years w.e.f. September 28, 2022 Qualification: graduate Experience: He is engaged in construction activities for over the 30 years. His marketing and analytical skills will help in decision making in the interest of the Company as well as shareholders.	
Mr. Kailasprasad Bhagvatiprasad Jani Designation: Non-Executive - Independent Director DIN: 00404091 Date of Birth: 30/03/1948 Age: 75 Years Occupation: Business Address: 17 Prerna Kurtir Bungalow, Nr. Sarthi Hotal Vastrapur, Thaltej, Daskroi, Ahmedabad, Gujarat - 380059 Nationality: Indian Original Date of Appointment: 02/09/2022 Date of Re-appointment/ Regularization: 28/09/2022 Current Term: 5 years w.e.f. 28/09/2022 Qualification: Graduate Experience: He is engaged in field of Event Management for over the 30 years. His business management skills and valuable experience of years will help the Company in taking important decision in the interest of the Company.	1. Kasturi Organisers Private Limited 2. Vishal Decor and Events Private Limited

PAST DIRECTORSHIPS IN SUSPENDED COMPANIES

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

PAST DIRECTORSHIPS IN DELISTED COMPANIES

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

RELATIONSHIP BETWEEN DIRECTORS

Mr. Shalin Shah and Mr. Ashok C. Shah are related as Son-Father.

ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

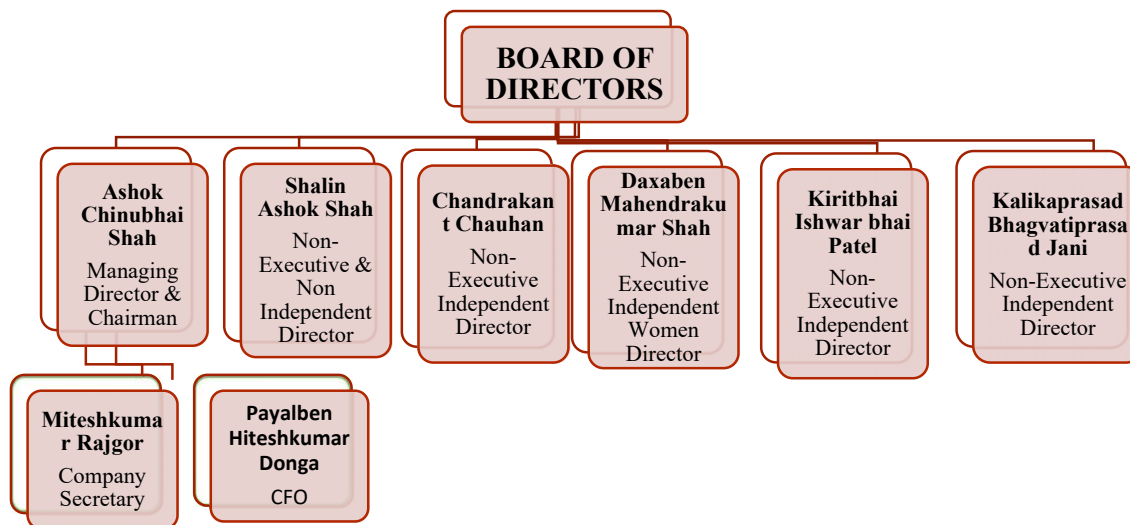
Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers, or others pursuant to which any of the above-mentioned directors have been appointed in the Board.

DETAILS OF SERVICE CONTRACTS ENTERED WITH DIRECTORS

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

ORGANISATIONAL STRUCTURE

The following chart depicts our Management Organization Structure:



CORPORATE GOVERNANCE

Since the Company is not falling within the criteria of Regulation 15 (2) of SEBI (LODR) Regulations, therefore, the Corporate Governance requirement is applicable to the Company as on March 31, 2023. However, the Company has complied with the requirements of corporate governance provisions composition of its board of directors, constitution of committees such as audit committee, nomination and remuneration committee, stakeholders' relationship committee, etc. as prescribed under the provisions of the Companies Act.

1. AUDIT COMMITTEE

The Audit Committee has been constituted in accordance with the provisions of Section 177 of the Companies Act, 2013, the details of which are specified as under:

Name of the Member	Designation
Daxaben Mahendrakumar Shah	Chairperson
Shalin Ashok Shah	Member
Chandrakant Chauhan	Member

The role of the Audit Committee includes the following:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial Statements are correct, sufficient and credible;
- To recommend the appointment, re-appointment and removal of Auditors, fixing of audit fees and approval of payments;
- Reviewing with management the Annual financial Statements before submission to the Board;
- Reviewing with the management and external Auditors, the adequacy of internal control systems
- Reviewing the adequacy of Cost Audit function;
- Discussing with Cost Auditors any significant findings and follow up on such issues;
- Discussing with the external Auditors before the Audit commences on the nature and scope of Audit, as well as having post Audit discussion to ascertain the area of concern, if any;

- Reviewing the Company's financial and risk management policies; and
- Examining reasons for substantial default in the payment to Shareholders (in case of non-payment of declared dividends) and creditors, if any
- To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores 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.
- Review the internal audit reports relating to internal control weaknesses;
- Scrutinize inter-corporate loans and investments;
- Review the functioning of the Whistle blower mechanism
- Look after the risk assessment including fraud risk and risk guidelines governing the risk management process;
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- To investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted in terms of section 178 (3) of Companies Act, 2013, the details of which are specified as under:

Name of the Member	Designation
Chandrakant Chauhan	Chairman
Shalin Ashok Shah	Member
Daxaben Mahendrakumar Shah	Member

The Company Secretary of our Company shall act as the Secretary to the Nomination and Remuneration Committee. The details of this policy are available on the Company's website <https://www.lesha.in>

The role of the Nomination and Remuneration Committee are as follows:

- To formulate criteria for evaluation and evaluate the performance of every director, including the Independent Directors;
- To identify and recommend to the Board, in accordance with the criteria as laid down, appointment/reappointment/ removal of the Executive /Non-Executive Directors and the senior management of the Company;
- Recommend to the board appointment of key managerial personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
- Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors.
- This shall include "formulation of criteria for evaluation of independent directors and the Board"
- On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
- To monitor and handle any other matter relating to framing/administration of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 or any amendments thereof;
- Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, and recommend to the Board their appointment and removal.
- The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted in terms of section 178 of Companies Act, 2013, the details of which are specified as under:

Name of the Member	Designation
Shalin Ashok Shah	Chairperson
Ashok Chinubhai Shah	Member
Chandrakant Chauhan	Member

The role of the Stakeholder Relationship Committee are as follows:

- To consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- To consider and approve demat/ remat of shares / split / consolidation / sub-division of share / debenture certificates;
- To consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transposition of names, deletion of names transfers and transmission of securities, etc.
- To review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review of the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- To deal with Shareholders' and Investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividends and matters related thereto.
- To exercise all power conferred on the Board of Directors under Articles of Association.
- Attending to complaints of Investor routed by SEBI / Stock Exchanges / RBI.

KEY MANAGERIAL PERSONNEL

Status of Key Managerial Personnel		Age (Years)
MS. PAYALBEN HITESHKUMAR DONGA		36 years
Designation	Chief Financial Officer;	
Address	C/202, Shivalay Residency, Opp. Nalanda Aaryan, Nr. Gangotri Bungalows, Nikol, Ahmedabad-382350	
Date of Appointment	October 03, 2023	
Nationality	Indian;	
Educational Qualification	Graduate	
Term of Office	Permanent Employee	
Details of previous employment	Ashnisha Industries Limited	
Functions and areas of experience in the Company	She is capable in supervising the processes for financial reporting. Her appointment will aid the management on long-term economic forecasting with precision.	
MITESHKUMAR RAJGOR		27 years
Designation	Company Secretary and Compliance Officer;	
Address	A-82, Sai Villa Tarsali, nearby gold City Tarsali bypass, Vadodara, Gujarat-390009, India.	
Date of Appointment	June 20, 2023	
Nationality	Indian;	
Educational Qualification	Company Secretary & B.com;	
Term of Office	Permanent Employee	
Details of previous employment	NA	
Functions and areas of experience in the Company	•He possesses knowledge of Company law, SEBI regulations and can handle the legal matters	

PROMOTERS/ PRINCIPAL SHAREHOLDERS

ASHOK CHINUBHAI SHAH

DIN:02467830

Date of Birth:07/09/1944

Age:78 years

Occupation: Business

Address:98, Lavanya Soceity, Paldi, Ahmedabad Gujarat India 380007

Nationality: United States of America

Qualification: An Engineering Graduate

Experience: He has studied in USA and is holding Engineering and administrative degrees and is having technical and administrative experience with various American Companies viz- worked as a Plant Manager for 11 years with M/s IBM Corporation, USA; worked as Area Manager for North Western Region for M/s. Prudential Insurance Co., USA for 8 years, were also associated with NYSE as Licensed Broker with Merry II Lynch Corp., USA. He has more than 30 years of experience in Steel Trading and Manufacturing Business in India.

Directorship: Gujarat Natural Resources Limited and Ashoka Metcast Limited and Ashnisha Industries Limited and Rhetan Tmt Limited and Lesha Ventures Private Limited

LESHA VENTURES PRIVATE LIMITED

CIN	U52100GJ2012PTC068885		
ROC Code	Roc-Ahmedabad		
Registration Number	068885		
Company Category	Company limited by Shares		
Company Sub-Category	Non-govt company		
Class of Company	Private		
Authorised Capital (Rs)	3,00,000		
Paid up Capital (Rs)	1,00,000		
Number of Members (Applicable in case of company without Share Capital)	0		
Date of Incorporation	06/02/2012		
Registered Address	7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad-380006, Gujarat, India,		
Email ID	sashah73@gmail.com		
Whether Listed or not	Unlisted		
ACTIVE compliance	ACTIVE compliant		
Suspended at stock exchange	-		
Date of last AGM	30/09/2023		
Date of Balance Sheet	31/03/2023		
Company Status (for e-filing)	Active		
Directors	Name of the Director	DIN	Date of Appointment
	Shalin Ashok shah	00297447	06/02/2012
	Ashok Chinubhai Shah	02467830	06/02/2012

Extracts of Financial Statement for the Financial Year ending March 31, 2023, and March 31, 2022:

Profit and Loss Statement

(Rs.InThousands)

Particulars	Audited for the Financial Year ending March 31,		
	2023	2022	2021
Income from operations	-	-	-
Other Income	167.13	-	-

Particulars	Audited for the Financial Year ending March 31,		
	2023	2022	2021
Total Income	167.13	-	-
Total Expenditure	171.17	4464.99	9.99
Profit Before Depreciation Interest and Tax	(4.04)	(4464.99)	(9.99)
Depreciation	-	-	-
Interest	-	-	-
Profit Before Tax	(4.04)	(4464.99)	(9.99)
Less: Provision for Tax	-	-	-
Profit After Tax	(4.04)	(4464.99)	(9.99)

Balance Sheet

(Rs.inThousand)

Particulars	Audited for the Financial Year ending March 31,		
	2023	2022	2021
(A) Sources of funds			
Paid up share capital	100.00	100.00	100.00
Reserves & Surplus (excluding revaluation reserves)	(4587.41)	(4583.37)	(118.38)
Less: Miscellaneous Expenditure not written off	-	-	-
Net Worth	(4487.41)	(4483.37)	(18.38)
Non-Current Liabilities	33875.00	25600.00	25680.00
Current Liabilities	48154.20	2492.70	2492.70
Total(A)	77541.79	23609.33	28154.32
(B) Uses of funds			
Net Fixed Assets	-	-	-
Investments	62334.60	22334.60	28052.00
Other Non-Current Assets	-	-	-
Current Assets	15207.19	1274.73	102.32
Total(B)	77541.79	23609.33	28154.32

RHETAN TMT LIMITED

CIN	L27100GJ1984PLC007041
ROC Code	RoC-Ahmedabad
Registration Number	007041
Company Category	Company limited by Shares
Company Sub-Category	Non-govt company
Class of Company	Public
Authorised Capital (Rs)	1,60,00,00,000
Paid up Capital (Rs)	79,68,75,000
Number of Members (Applicable in case of company without Share Capital)	0
Date of Incorporation	26/06/1984
Registered Address	7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad-380006, Gujarat, India,
Email ID	rhetantmt@gmail.com
Whether Listed or not	Unlisted
ACTIVE compliance	ACTIVE compliant
Suspended at stock exchange	-
Date of last AGM	28/09/2023
Date of Balance Sheet	31/03/2023
Company Status (for e-filing)	Active

Directors	Name of the Director	DIN	Date of Appointment
	Shalin Ashok Shah	00297447	08/01/2022
	Ashok Chinubhai Shah	02467830	08/01/2022
	Rushabh Rajnikantbhai Shah	09474282	22/01/2022
	Deepti Ghanshyam Gavali	10272798	01/09/2023

Extracts of Financial Statement for the Financial Year ending March 31, 2023 and March 31, 2022:

Profit and Loss Statement

(Rs.In
Lakhs)

Particulars	Audited for the Financial Year ending March 31,		
	2023	2022	2021
Income from operations	8602.15	6702.87	5208.90
Other Income	91.98	0.58	4.12
Total Income	8694.13	6703.45	5213.01
Total Expenditure	7979.39	6416.23	5195.08
Profit Before Depreciation Interest and Tax			
Depreciation	66.10	46.57	48.30
Interest	-	-	-
Profit Before Tax	714.74	287.22	17.94
Less: Provision for Tax	172.97	52.79	4.59
Profit After Tax	541.77	234.43	13.35

Balance Sheet

(Rs.inL
akhs)

Particulars	Audited for the Financial Year ending March 31,		
	2023	2022	2021
(A) Sources of funds			
Paidup share capital	7968.75	1325.00	1140.00
Reserves & Surplus (excluding revaluation reserves)	547.71	1049.69	(294.73)
Less: Miscellaneous Expenditure not written off	-	-	-
Net Worth	8516.46	2374.69	845.27
Non-Current Liabilities	614.22	1461.90	1560.95
Current Liabilities	2119.49	2063.88	1576.06
Total(A)	11250.17	5900.47	3982.27
(B) Uses of funds			
Net Fixed Assets	857.92	828.99	864.45
Investments	83.38	104.39	104.39
Other Non-Current Assets	278.87	132.43	308.54
Current Assets	10030.00	4834.66	2704.89
Total(B)	11250.17	5900.47	3982.27

DIVIDEND POLICY

Under the Companies Act, 2013, a 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. 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.

However, as on date of this Letter of Offer, neither our Company has a formal dividend policy for declaration of dividend in respect of Equity Shares, nor has declared any dividend on the Equity Shares since incorporation.

SECTION – V – FINANCIAL INFORMATION

Particulars	Page No
Limited Review Financial Results for the half year ended on September 30, 2023	78
Restated Financial Statements for the financial year ended March 31, 2023, 2022, 2021	80

CA. Keyur D. Bavishi
B.Com, F.C.A, D.I.S.A. (ICAI)



Keyur Bavishi & Co.
CHARTERED ACCOUNTANT

**LIMITED REVIEW REPORT OF INDEPENDENT AUDITORS ON STANDALONE
UNAUDITED FINANCIAL RESULTS**

To Board of Directors
Lesha Industries Limited

1. We have reviewed the Standalone unaudited financial results of Lesha Industries Limited ("the Company") for quarter ended on 31st December, 2023 which are included in the accompanying Statement' has been prepared by the Company pursuant to the Regulation 33 of SEBI (the Listing Obligation and Disclosure Requirements) Regulation, 2015 (the Listing Regulation, 2015) which has been initialed by us for identification purpose. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian accounting standards (Ind-AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

FOR, KEYUR BAVISHI & CO.
CHARTERED ACCOUNTANTS
FRN: 131191W


PLACE: AHMEDABAD
DATE: 13 JAN 2024

PROPRIETOR
CA KEYUR D. BAVISHI
M. NO.: 136571
UDIN: 24136571BkBZOY1579

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LESHA INDUSTRIES
L I M I T E D

LESHA INDUSTRIES LIMITED						
Registered Office: 7th Floor, Ashoka Chambers, Mithakhali Six Road, Ahmedabad 380 006.						
CIN : L27100GJ1992PLC016607						
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2023.						
(Rs. in Lakhs except per share data)						
Particulars	Quarter Ended			Nine Month Ended		Year Ended
	31/12/2023	30/09/2023	31/12/2022	31/12/2023	31/12/2022	31/03/2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income from Operations						
(a) Revenue from operations	218.86	0.00	146.26	285.90	561.29	690.26
(b) Other Income	0.00	17.34	0.00	655.31	14.52	0.40
Total Income	218.86	17.34	146.26	941.21	575.81	690.66
2 Expenses						
(a) Cost of Materials consumed	0.00	0.00	0.00	0.00	0.00	0.00
(b) Purchase of stock-in-trade	168.82	7.56	137.22	237.15	491.28	616.96
(c) Increase/Decrease in inventories of FG, WIP and stock-in-trade	7.56	-7.56	0.00	0.00	0.00	0.00
(d) Employee benefits expense	1.40	1.49	2.42	4.26	11.72	14.20
(e) Finance Cost	0.00	0.00	0.00	0.01	0.00	0.06
(f) Depreciation and amortisation expense	0.51	0.51	0.50	1.53	1.46	1.96
(g) Other expenses	6.54	12.92	4.03	25.10	20.40	40.26
Total Expenses	184.83	14.92	144.17	268.05	524.86	673.44
3 Profit/(loss) before exceptional items and tax (1-2)	34.03	2.42	2.09	673.16	50.95	17.22
4 Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
5 Profit/(Loss) before tax (3+4)	34.03	2.42	2.09	673.16	50.95	17.22
6 Tax Expense						
(a) Current tax	0.22	0.00	0.16	4.03	3.82	-1.91
(b) Deferred tax	-0.06	0.00	0.00	-0.20	0.00	-0.32
Total Tax Expenses	0.16	0.00	0.16	3.83	3.82	-2.23
7 Profit / (Loss) for the period from continuing operations (5-6)	33.87	2.42	1.93	669.33	47.13	19.45
8 Profit (Loss) from discontinuing operations	0.00	0.00	0.00	0.00	0.00	0.00
9 Tax Expense of discontinuing operations	0.00	0.00	0.00	0.00	0.00	0.00
10 Profit (Loss) from discontinuing operations (after tax)(8-9)	0.00	0.00	0.00	0.00	0.00	0.00
11 Other Comprehensive Income						
A(i) Items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
B (i) Items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Income tax relating to items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
Other Comprehensive Income for the period	0.00	0.00	0.00	0.00	0.00	0.00
12 Total Comprehensive Income for the period	33.87	2.42	1.93	669.33	47.13	19.45
13 Paid-up equity share capital (Face value of Rs 1/- each)	1100.00	1100.00	1100.00	1100.00	1100.00	1100.00
14 Other Equity						725.80
Earnings Per Share (before exceptional items) (not annualised):						
(a) Basic	0.031	0.002	0.002	0.61	0.043	0.02
(b) Diluted	0.031	0.002	0.002	0.61	0.043	0.02
Earnings Per Share (after exceptional items) (not annualised):						
(a) Basic	0.031	0.002	0.002	0.61	0.043	0.02
(b) Diluted	0.031	0.002	0.002	0.61	0.043	0.02
Notes:						
1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on January 13, 2024. The Limited Review under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the statutory auditors. The Limited Review Report does not contain any observation which could have an impact on the results for the quarter ended December 31, 2023.						
2. The Company adopted the Indian Accounting Standards ('Ind AS') effective 1st April, 2017 (transition date 1st April, 2016). The financial results have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with the relevant Rules issued there under.						
3. Company operates in trading of shares & securities, steel, Chemical and information technology activities.						
4. Previous period's figures have been regrouped/rearranged wherever necessary to conform to the current period's classification.						
Date : 13/01/2024 Place : Ahmedabad			<div style="text-align: center;">  <p>For, LESH INDUSTRIES LIMITED</p> <p><i>Shalin A Shah</i></p> <p>SHALIN A SHAH DIRECTOR DIN : 00297447</p> </div>			



LESHA INDUSTRIES
L I M I T E D

LESHA INDUSTRIES LIMITED						
Unaudited Segment - Wise Revenue , Results and Capital Employed						
(Rs .In Lakhs)						
Particulars	Quarter Ended			Nine Month Ended		Year Ended
	31/12/2023	30/09/2023	31/12/2022	31/12/2023	31/12/2022	31/03/2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
(a) Steel Trading	72.96	0.00	125.09	105.67	125.09	211.47
(b) Shares/Commodity Trading	0.00	0.00	0.00	0.00	0.00	0.00
(c) Trading of Goods	145.90	0.00	21.17	145.90	436.20	478.79
(d) Others	0.00	0.00	0.00	0.00	0.00	0.00
Total						
Less: Inter Segment Revenue						
Net sales/Income From Operations	218.86	0.00	146.26	251.57	561.29	690.26
2. Segment Results						
(a) Steel Trading	2.38	0.00	5.51	3.08	5.51	7.74
(b) Shares/Commodity Trading	0.00	0.00	0.00	0.00	0.00	0.00
(c) Trading of Goods	40.10	0.00	3.53	45.67	64.52	65.57
(d) Others	0.00	17.34	0.00	655.31	14.50	0.40
Total						
Less: (i) Other Un-allocable Expenditure net off	-8.45	-14.92	-6.95	-30.90	-33.58	-56.49
Total Profit Before Tax	34.03	2.42	2.09	673.16	50.95	17.22
3. Capital Employed						
(Segment assets - Segment Liabilities)						
(a) Steel Operation	256.80	239.80	1114.09	256.80	1114.09	1400.47
(b) Shares Operation	2.97	2.97	2.97	2.97	2.97	2.97
(c) Trading of Goods	74.45	27.04	7.43	74.45	7.43	8.34
(d) Other Unallocable	2153.56	2187.97	732.79	2160.15	732.79	414.03
Total	2487.78	2457.78	1857.28	2494.37	1857.28	1825.80



Independent Auditor's Report

To
The Members of
Lesha Industries Limited

Opinion

We have audited the accompanying financial statements of Lesha Industries Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under

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

Key Audit Matters

Key Audit matters('KAM') are those matters that in our professional judgment were of most significance in our audit of standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

The Key Audit Matter	How our audit addressed the key audit matter
Transaction with related parties Transaction with related parties as disclosed Note 27 of the Financial Statement. This was an area of focus for our audit and the area where significant audit effort was directed.	Our Audit procedures included updating our understanding of the business processes employed by the Company for identifying from the concerned related party with regard to existence of such transaction. We verified the statutory records available with the Company with regard to transaction entered into by the Company with related parties. Our audit procedure over the disclosures of related party transaction included agreeing the disclosures as per statutory requirement.

Other Information

The company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including annexures to Director's report but does not include the Standalone Financial Statements and our auditor's report thereon.

Our Opinion on the standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report the fact.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the annual standalone financial statements for the year ended March 31, 2023. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the loss and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to these financial results, in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and of its Joint Venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 in Our opinion and according to the information and explanation given to us, the details of the said Order specified in paragraph 3 and 4 of the order are given to the extent applicable in **Annexure A** to this Report.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and an explanation which is to the best of our knowledge and beliefs were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended
 - e) On the basis of written representations received from the directors as on 31 March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give report of the same in **Annexure B** to this Report.
 - g) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company w.e.f. April 1, 2023, reporting under this clause is not applicable
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - i) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company.
 - iv. a) The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding. Whether recorded in writing or otherwise. that the intermediary shall :
 - i) Directly or indirectly lend or invest in other persons or entities identified In any manner whatsoever ('Ultimate Beneficiaries') by or on behalf of the Company or

- ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The management has represented that to the best of its knowledge and belief, no Funds have been received by the Company from any persons or entities including foreign entities (Funding Parties). With the understanding, whether recorded in writing or otherwise that the Company shall:
 - i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ('Ultimate Beneficiaries') by or on behalf of the Funding Party or
 - ii) Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries and
- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances. Nothing has come to our notice that has caused us to believe that the representations made in sub clause 4(a) and 4(b) above contain any material misstatement.
- d) According to the information and explanations given to us the Company has not declared or paid dividend during the year.

Date : 26/05/2023
Place : Ahmedabad

For, KEYUR BAVISHI & CO.
(Chartered Accountants)
F.R.N. : 131191W

(CA KEYUR D. BAVISHI)
Proprietor
M.No. : 136571
UDIN: 23136571BGRSHA2144

Annexure – A to the Independent Auditor’s report on the standalone financial statements of Lesha Industries Limited for the year ended 31st March, 2023

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- i)
 - (a)
 - (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and equipment.
 - (B) According to the information and explanations given to us the Company do not have any Intangible Assets.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company. In our opinion, this periodicity of physical verification is reasonable having regard to size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company. The title deeds of the immovable properties (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favor of lessee) disclosed in the standalone financial statements are held in the name of the Company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property plant and Equipments during the year.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against Company for holding any benami property Transactions Act, 1988 and rules made thereunder.
- ii)
 - (a) The inventory has been physically verified by the management during the year. In our opinion the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
 - (b) According to the information and explanations given to us on the basis of our examination of the records of the Company. The Company is not in receipt of any working capital loan during the reporting period hence reporting under the said clause is not applicable.
- iii) According to the information and explanations given to us and on the basis of our examination of the records of the company. The Company has granted unsecured advances in the nature of loans to other companies during the year.
 - (a)
 - (A) According to the information and explanations given to us Company is not having any Subsidiary, Joint Ventures and Associates.
 - (B) During the year the Company has granted Advances in the nature Loans to other parties.

(Rs. In Lakh)

Particulars	Advance in nature of loans
Aggregate amount of Loans granted during the year under audit – Others	420.04
Balance Outstanding as at 31st March, 2023-Others	344.00

- (b) According to information and explanations given to us and based on the audit procedures conducted by us. We are of the opinion that the terms and conditions of the interest free loans given are prima facie, not prejudicial to the interest of the Company.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the Company. In the case of loans and advances given, the repayment of interest free loans and advances has been stipulated On Demand.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the interest free loans and advances are repayable on demand. Hence there is no question of overdue.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances either repayable on demand or without specifying any terms or period of repayment.
- iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not advanced loan as specified under Section 185 of the Companies Act, 2013 and the Company has advanced loan specified under Section 186 of the Companies Act, 2013. Further the Company has complied with the provision of Section 186 of the Companies Act, 2013 in relation to loans given and investments made subject to Section 186(7) of Companies Act, 2013.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly clause 3(v) of the order is not applicable.
- vi) According to Information and explanations given to us the company is not required to maintain the cost records as per the provision of the Companies (Cost Records and Audit) Rules 2014, hence this clause is not applicable to the Company.
- vii) (a) According to information and explanations given to us and based on our examination of records of the Company has been Regular in depositing the undisputed statutory dues including Goods and Service Tax, Provident Fund, Investor education fund , employee state insurance income tax and any other material statutory dues applicable to it with the appropriate authorities.

According to information and explanation given to us no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March, 2023 for a period of more than Six Months from the date of becoming payable.
- (b) According to information and explanation given to us no disputed amounts payable in respect of the aforesaid dues during the period under audit.
- viii) In our opinion and according to information and explanations given to us and on the basis of our examination of records of the Company. The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix) (a) According to the information and explanations and on the basis of our examination of the records of the Company, the Company has not defaulted from any loans or borrowings from any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination the records of the Company, the Company has not been declared wilful defaulter by any bank of financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company did not have any loans or borrowings from any lender during the year. Accordingly clause 3(ix) (a) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short term basis by the Company. Accordingly clause 3(ix) (d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix) (e) of the order is not applicable.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly clause 3(ix) (f) of the Order is not applicable.
- x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly clause 3(x) (a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year. Accordingly clause 3(x) (b) of the order is not applicable.
- xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering principles of materiality outlined in the Standards on Auditing. We report that no fraud by the Company or on the Company has been noticed or reported during the period under audit.
- (b) According to the information and explanations given to us, no report under subsection (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) In terms of section-177(9) of the act, it is mandatory for the said company to establish vigil mechanism set in the company, however based upon audit procedure performed and information and explanations given by the management of the company we have not come across any whistle-blower complaints during the year.
- xii) (a) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act, 2013 where applicable, and the details of the related party transactions have been disclosed in the Standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv) In our opinion and according the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xv) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly clause 3(xv) (a) of the order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly clause 3(xvi) (b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly clause 3(xvi) (c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course audit, the Group does not have any CIC. Accordingly the requirements of the clause 3(xv) (d) are not applicable.
- xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year and there is no cash loss incurred during the year and immediately preceding year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly clause 3(xviii) of the order is not applicable.

- xix) According to the information and explanations given to us and on the basis of the financial ratios, aging and expected dates of realisation of financial assets and payment of the financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and managements plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) A CSR activities are not mandatory to the company and company is not fulfilling any criteria given in section 135(1) of the Act, this section is not applicable to the company.

For, **KEYUR BAVISHI & CO.**
(Chartered Accountants)
F.R.N. : 131191W

(CA **KEYUR D. BAVISHI**)
Proprietor

Date : 26/05/2023
Place : Ahmedabad

M.No. : 136571
UDIN: 23136571BGRSHA2144

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

We have audited the internal financial controls over financial reporting of M/S. LESHA INDUSTRIES LIMITED("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023.

For, KEYUR BAVISHI & CO.
(Chartered Accountants)
F.R.N. : 131191W

(CA KEYUR D. BAVISHI)
Proprietor
M.No. : 136571
UDIN: 23136571BGRSHA2144

Date : 26/05/2023
Place : Ahmedabad

BALANCE SHEET AS AT 31/03/2023

(Rs. in Lakh)

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
I. ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	1	1,344.69	772.73
(b) Other Intangible assets		-	-
(c) Capital work in progress	1	-	224.68
(d) Intangible assets under development		-	-
(e) Financial Assets :			
i) Investments	2	80.00	80.00
ii) Loans	3	339.19	573.10
iii) Other Financial Assets		-	-
(f) Deferred tax assets (Net)		-	-
(g) Other non-current assets	4	155.27	163.53
Total Non-current Assets		1,919.14	1,814.03
2 Current Assets			
(a) Inventories	5	2.98	2.98
(b) Financial Assets :			
i) Investments		-	-
ii) Trade Receivables	6	242.87	116.79
iii) Cash & Cash Equivalents	7	36.74	19.72
iv) Loans	8	-	262.49
v) Other Financial Assets	9	28.30	31.06
(c) Other Current Assets	10	11.95	9.27
Total - Current Assets		322.83	442.30
Total Assets		2,241.98	2,256.34
II. Equity & Liabilities			
1. Equity			
(a) Equity Share Capital	11	1,100.00	1,100.00
(b) Other Equity	12	725.80	706.35
Total Equity		1,825.80	1,806.35
2. Liabilities			
A) Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	13	-	15.03
(b) Deferred Tax Liabilities (Net)	14	29.39	29.72
(c) Other Non Current Liabilities		-	-
Total Non- Current Liabilities		29.39	44.75
B) Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	15	17.54	24.24
ii) Trade Payables		-	-
(A) Total outstanding dues of micro enterprises and small enterprises ;	16	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises ;	16	127.20	264.55
iii) Other Financial Liabilities	17	157.72	103.39
(b) Other Current Liabilities	18	81.64	6.28
(c) Short Term Provisions		-	-
(d) Current Tax Liabilities (Net)		2.69	6.78
Total Current Liabilities		386.79	405.25
Total Equity & Liabilities		2,241.98	2,256.34
The Notes referred to above form an integral part of the Balance Sheet			
Contingent Liabilities & Commitments	Nil	-	-

For, Lesha Industries Ltd.

Ashok C. Shah **Shalin A. Shah**
Director Director
DIN : 02467830 DIN : 00297447

Date : 26/05/2023
Place : Ahmedabad

For, KEYUR BAVISHI & CO.
(Chartered Accountants)
F.R.N. : 131191W

(CA KEYUR D. BAVISHI)
Proprietor

M.No. : 136571
UDIN: 23136571BGRSHA2144

**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR
FROM 01-04-2022 TO 31-03-2023**

(Rs. in Lakh)

Particulars	Note No.	2022-23	2021-22
I Revenue From Operations	19	690.26	724.71
II Other Income	20	0.40	0.01
III Total Revenue (I+II)		690.67	724.73
IV Expenses			
Purchase of Stock in Trade	21	616.96	635.81
Changes in Inventories	22	-	-
Employee Benefit Expenses	23	14.20	12.97
Finance Costs	24	0.06	0.06
Depreciation & Amortisation Expenses	25	1.96	1.83
Other Expenses	26	40.27	26.97
Total Expenses		673.44	677.63
V Profit Before Exceptional & Extraordinary Items & Tax (III-IV)		17.22	47.10
VI Exceptional Items		-	-
VII Profit Before Extraordinary Items & Tax		17.22	47.10
Extraordinary Items		-	-
VIII Profit Before Tax		17.22	47.10
IX Tax Expenses			
Current Tax		5.45	7.35
Mat Credit Entitlement		-7.36	
Deferred Tax Expense /(Revenue)	14	-0.32	-0.32
X Profit/(Loss) for the period from Continuing Operations(IX-X)		19.45	40.07
XI Profit/(Loss) from Discontinuing Operations			
XII Tax Expense of Discontinuing Operations			
XIII Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)		-	-
XIV Profit/(Loss) for the Period(XI+XIV)		19.45	40.07
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the year, net of tax		19.45	40.07
XV Earning Per Equity Share			
Basic		0.02	0.0004
Diluted		0.02	0.0004

The Notes referred to above form an integral part of the Balance Sheet

For, Lesha Industries Ltd.

Ashok C. Shah Shalin A. Shah
Director Director
DIN : 02467830 DIN : 00297447

Date : 26/05/2023
Place : Ahmedabad

For, KEYUR BAVISHI & CO.
(Chartered Accountants)
F.R.N. : 131191W

(CA KEYUR D. BAVISHI)
Proprietor
M.No. : 136571
UDIN: 23136571BGRSHA2144

CASHFLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2023 (Rs. in Lakh)

Particulars	2022-23	2021-22
A Cash flow from Operating Activities		
Net Profit Before Tax	17.22	47.10
Adjustments for :		
Add. Depreciation	1.96	1.83
Add. Preliminary Expense written off	1.92	1.92
Less : Dividend Income	-0.02	-0.01
Operating Profit / (Loss) before Working Capital Changes	21.08	50.83
Adjustments for :		
Increase/(Decrease) in Trade Payables	-137.36	254.54
Increase/(Decrease) in Financial Liabilities	54.33	100.22
Increase/(Decrease) in Short term Borrowing	-6.70	-6.25
Increase/(Decrease) in other current liabilities	75.36	2.32
(Increase)/Decrease in Trade Receivables	-126.08	-94.19
(Increase)/Decrease in short term loans & advances	262.49	-262.49
(Increase)/Decrease in Financial liabilities	2.76	-31.06
(Increase)/Decrease in other current assets	-	0.001
Cashflow generated from Operating Activities	145.88	13.93
Income Tax Paid (Net of Refund)	-6.78	-0.57
Net Cashflow generated from Operating Activities A	139.10	13.36
B Cash flow from Investment Activities		
Purchase of Property , Plant and Equipment	-349.24	-262.32
Dividend Income	0.02	0.01
Net Cashflow generated from Investments Activities B	-349.22	-262.31
C Cash flow from Financing Activities		
Money Received Against Share warrant	-	270.60
Issuance of shares against Warrant	-	-
(Increase)/Decrease in other non-current assets	8.26	-34.52
(Increase)/Decrease in Long term loans & advances	233.91	20.64
Increase/(Decrease) in non current liabilities	-15.03	-
Net Cashflow generated from Financing Activities C	227.14	256.72
Net Change in Cash & Cash Equivalents (A+B+C)	17.02	7.76
Opening Cash & Cash Equivalents	19.72	11.95
Closing Cash & Cash Equivalents	36.74	19.72

Notes to the Cash Flow Statement for the year ended on 31.03.23

- (1) The Cash Flow Statement has been prepared in accordance with the requirements of Ind AS 107 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- (2) Figures in bracket indicate cash Outflow
- (3) The previous year figures have been regrouped/restated wherever necessary to conform to this year's classification.
- (4) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprises the followings :

Particulars	As at 31-03-2023	As at 31-03-2022
Cash on Hand	14.35	12.64
Balance with Banks (Current Account)	22.38	7.08
Cash and Cash Equivalents for Cash Flow Statement	36.74	19.72

For, Lesha Industries Ltd.

Ashok C. Shah
Director
DIN : 02467830

Shalin A. Shah
Director
DIN : 00297447

Date : 26/05/2023
Place : Ahmedabad

For, KEYUR BAVISHI & CO.
(Chartered Accountants)
F.R.N. : 131191W

(CA KEYUR D. BAVISHI)
Proprietor
M.No. : 136571
UDIN: 23136571BGRSHA2144

Statement of changes in equity for the period ended March 31, 2023

A. EQUITY SHARE CAPITAL :

(1) Current reporting period

(Rs. in Lakh)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current report period	Changes in equity share capital during current year	Balance at the end of the current period
1100.00	-	-	-	1100.00

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current report period	Changes in equity share capital during current year	Balance at the end of the current period
739.20	-	-	360.80	1100.00

B. Other Quality

(1) Current Reporting Period

	Share Application on money pending allotment	Equity component of compound financial instruments	Reserve and Surplus				Debt Instruments through other comprehensive Income	Effective difference on translating the financial statements of a foreign operation	Other items of other comprehensive income (specify nature)	Money received against - share capital / convertible share	Total
			Capital Reserves	Securities Premium	General Reserve	Retaining Earnings					
Balance at the beginning of the current reporting period				630.46	252.82	-176.93					706.35
Profit for the year						19.45					19.45
changes in accounting policy or prior period errors											
Restated balance at the beginning of the current reporting period											
Total Comprehensive income for the current year											
Dividends											
Transfer to retained earnings											
Monies Received against Convertible Share Warrants											
Balance at the end of the current reporting period				630.46	252.82	-157.48					725.80

(2) Previous Reporting Period										(Rs. in Lakh)	
	Share Application on money pending allotment	Equity component of compound financial instruments	Reserve and Surplus				Debt Instruments through other comprehensive Income	Effective difference on translating the financial statements of a foreign operation	Other items of other comprehensive income (specify nature)	Money received against - share capital / convertible share	Total
			Capital Reserves	Securities Premium	General Reserve	Retaining Earnings					
Balance at the beginning of the current reporting period				630.46	252.82	-217.01					666.28
Profit for the year						40.07					40.07
changes in accounting policy or prior period errors											
Restated balance at the beginning of the current reporting period											
Total Comprehensive income for the current year											
Dividends											
Transfer to retained earnings											
Monies Received against Convertible Share Warrants											
Balance at the end of the current reporting period				630.46	252.82	-176.93					706.35

◆ **Significant Accounting Policies**

• **Company Overview**

Lesha Industries Limited ("the company") is a listed company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of trading of various steel products, trading of goods and Dealing in Shares & Security. The company is listed on Bombay Stock Exchange.

• **Statement of Compliance**

The Standalone Financial Statements comply, in all material aspects, with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the

Balance Sheet as at 31 March 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information.

• **Basis for Preparation and Presentation**

The Standalone Financial Statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

• **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current

Classification. An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date

Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

- **Property, Plant and Equipment**

Property, plant and equipment are stated at acquisition cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognized impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalized along with respective asset.

Depreciation is recognized based on the cost of assets less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 for year 2022-23.

Asset	Useful Life
Office Equipment	5 Years
Furniture	10 Years
Office Premise	60 Years
Vehicle	10 Years
Plant & Machinery	15 Years

- **Financial Instruments**

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

- **Financial Assets**

- ◆ **Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortised cost.
- those measured at carrying cost for equity instruments subsidiaries and joint ventures.

- ◆ **Initial recognition and measurement**

All financial assets, are recognized initially at fair value

- **Financial liabilities and equity instruments**

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Standalone Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified to equity. Dividends from such investments are recognized in the Standalone Statement of Profit and Loss within other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments Measured at FVTOCI are not reported separately from other changes in fair value.

Financial liabilities

The Company's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the EIR method. The EIR is a method of calculating the amortised cost of a Financial liability and of allocating interest expense over the relevant period at effective interest rate.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Financial liabilities at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Trade and other payables are recognized at the transaction cost, which is its fair value.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market

The principal or the most advantageous market must be accessible by the Company. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

- **Revenue recognition**

The Company has adopted Ind AS 115 from 1st April, 2018 and opted for modified retrospective application with the cumulative effect of initially applying this standard recognised at the date of initial application. The standard has been applied to all open contracts as on 1st April, 2018, and subsequent contracts with customers from that date.

Performance obligation :

The revenue is recognized on fulfilment of performance obligation.

- **Sale of products :**

The Company earns revenue primarily from sale of Steel Product and Trading in goods.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The Company's contracts with customers do not provide for any right to returns, refunds or similar obligations. The Company's obligation to repair or replace faulty products under standard warranty terms is recognised as a provision.

Revenue is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has possession and legal title to the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Taxation

Tax on Income comprises current and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

NOTES TO THE FINANCIAL STATEMENTS

2. Non Current Investments (Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
(1) Investment in Equity Shares		
8,00,000 Equity Shares of Rs 10/- Each of Adzillow Private Limited	80.00	80.00
Total	80.00	80.00
Market Value of the Un-Quoted Shares	80.00	80.00

3. Loans - Non Current

Particulars	As at 31 March, 2023	As at 31 March, 2022
Loan to Corporates		
- Loans Receivables considered good - Secured	-	-
- Loans Receivables considered good - Unsecured	339.19	573.10
- Loans Receivables which have significant increase in Credit Risk	-	-
- Loans Receivables - credit impaired	-	-
Total	339.19	573.10

4. Other Non-Current Assets

Particulars	As at 31 March, 2023	As at 31 March, 2022
Security Deposit	6.52	6.52
Unsecured, Considered Good	6.52	6.52
Other Long Term Loans & Advances	148.75	157.01
Other Advances	5.85	4.89
Capital Advances	117.03	117.03
Balance with Government Authorities	25.86	35.09
Total	155.27	163.53

5. Inventories

Particulars	As at 31 March, 2023	As at 31 March, 2022
Stock In Trade	-	-
Shares	2.98	2.98
Total	2.98	2.98

6. Trade Receivables

(Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Outstanding for less than 6 months from the due date Unsecured, considered good	220.68	94.20
Outstanding for more than 6 months from the due date Unsecured, considered good	22.19	22.59
Total	242.87	116.79

Trade Receivable ageing schedule

(Rs. in Lakh)

Particulars	Outstanding for following periods from the due date of payment Financial Year 2022-23					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	220.68	--	--	--	22.19	242.87
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	--	--	--	--	--	--
(iii) Undisputed Trade Receivables - credit impaired	--	--	--	--	--	--
(iv) Disputed Trade Receivables - Considered Good	--	--	--	--	--	--
(v) Disputed Trade Receivables - which have significant increase in credit risk	--	--	--	--	--	--
(vi) Disputed Trade Receivables - credit impaired	--	--	--	--	--	--

Trade Receivable ageing schedule

(Rs. in Lakh)

Particulars	Outstanding for following periods from the due date of payment Financial Year 2021-22					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	94.20	--	--	--	22.59	116.79
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	--	--	--	--	--	--
(iii) Undisputed Trade Receivables - credit impaired	--	--	--	--	--	--
(iv) Disputed Trade Receivables - Considered Good	--	--	--	--	--	--
(v) Disputed Trade Receivables - which have significant increase in credit risk	--	--	--	--	--	--
(vi) Disputed Trade Receivables - credit impaired	--	--	--	--	--	--

7. Cash & Cash Equivalents

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balances with Banks	22.38	7.08
In Current Account	22.38	7.08
Cash on Hand	14.35	12.64
Total	36.74	19.72

8. Loans - Current

Particulars	As at 31 March, 2023	As at 31 March, 2022
Loan to Corporates		
- Loans Receivables considered good - Secured	-	-
- Loans Receivables considered good - Unsecured	-	262.49
- Loans Receivables which have significant increase in Credit Risk	-	-
- Loans Receivables - credit impaired	-	-
Total	-	262.49

9. Other Financial Assets - Current

Particulars	As at 31 March, 2023	As at 31 March, 2022
Advance to Suppliers/Others	28.30	31.06
Total	28.30	31.06

10. Other Current Assets

Particulars	As at 31 March, 2023	As at 31 March, 2022
Preliminary Expenses not written-off	1.87	2.50
Pre-Operative Expenses not written-off	3.88	5.18
Other Statutory Advances	1.60	1.60
MAT Credit Receivable	4.59	-
Total	11.95	9.27

11. Share Capital

1. Authorized, Issued, Subscribed and Paidup Share capital

(Rs. in Lakh)

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
Equity Shares of Rs. 1 Each	1,900.00	1,900.00	1,900.00	1,900.00
Total	1,900.00	1,900.00	1,900.00	1,900.00
Issued Share Capital				
Equity Shares of Rs. 1 each	1,100.00	1,100.00	1,100.00	1,100.00
Total	1,100.00	1,100.00	1,100.00	1,100.00
Subscribed & Fully Paid				
Equity Shares of Rs. 1 each	1,100.00	1,100.00	1,100.00	1,100.00
Total	1,100.00	1,100.00	1,100.00	1,100.00

2. Details of the Shares for the Preceding Five Years

Particulars	01-04-2018 to 31-03-2023
Number Of Equity Shares Bought Back	-
Number Of Preference Shares Redeemed	-
Number of Equity Share Issue as Bonus Share	-
Number of Preference Share Issue as Bonus Share	-
Number of Equity Shares Allotted For Contracts	-
Without Payment Received In Cash	-
Number of Preference Shares Allotted For Contracts	-
Number of Equity shares allotted against Share warrant(31.3.2021)	986.80
Without Payment Received In Cash	-

3. Reconciliation of Share Capital

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
(Face Value Rs. 1.00)				
Shares Outstanding at the Beginning of the Year	1,100.00	1,100.00	739.20	739.20
Shares issued during the year	-	-	360.80	360.80
Shares cancelled during the year	-	-	-	-
Shares Outstanding at the End of the Year	1,100.00	1,100.00	1,100.00	1,100.00

4. Share Holders holding more than 5% Share

Promoters / Promoter Group Shareholding as on 31st March, 2023

Name of Promoters / Promoter Group	Category	As at 31st March, 2023		As at 31st March, 2022	
		No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
SHALIN ASHOK SHAH	Promoter	180.80	16.44	181.04	16.46
ASHOK CHINUBHAI SHAH	Promoter	100.00	9.09	100.00	9.09
LEENA ASHOK SHAH	Promoter Group	82.00	7.45	82.81	7.53
LESJA VENTURES PVT. LTD.	Promoter Group	93.00	8.45	93.00	8.45
RHETAN TMT LIMITED	Promoter Group	0.00	0.00	5.46	0.50
ASHOKA METCAST LIMITED	Promoter Group	0.00	0.00	0.00	0.00
Total					

Percentage change in promoter and promoter group holding is given below :

Name of Promoters / Promoter Group	Category	% of Shareholding change during the year ended on 31st March, 2023
SHALIN ASHOK SHAH	Promoter	-0.02
ASHOK CHINUBHAI SHAH	Promoter	0.00
LEENA ASHOK SHAH	Promoter Group	-0.50
LESJA VENTURES PVT. LTD.	Promoter Group	0.00
RHETAN TMT LIMITED	Promoter Group	0.00
ASHOKA METCAST LIMITED	Promoter Group	0.00

List of Shareholders holding shares more than 5% as on Financial Year Ended on 31st March, 2023

Sr. No.	Name of Shareholders	31st March, 2023	
		No. of Shares	Percentage of Shareholding
1	SHALIN ASHOK SHAH	180.80	16.44
2	ASHOK CHINUBHAI SHAH	100.00	9.09
3	LESJA VENTURES PVT. LTD.	93.00	8.45
4	LEENA ASHOK SHAH	82.00	7.45

12. Other Equity (Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Securities Premium Account		
Opening balance	630.46	630.46
+/- Allotment of Shares		
Closing Balance	630.46	630.46
General Reserve		
Opening balance	252.82	252.82
(-)-Adjustment during the year on account of Demerger	-	-
+ Adjustment in pursuant to the scheme of Demerger		
Closing Balances	252.82	252.82
Profit & Loss A/c		
Opening balance	-176.93	-217.01
(-) Transfer of Current Year (Loss)/Profit	19.45	40.07
Closing balance	-157.48	-176.93
Monies Received against Convertible Share Warrants	-	-
Total	725.80	706.35

13. Non Current Borrowing

Particulars	As at 31 March, 2023	As at 31 March, 2022
Deferred Payment Credit		
Deferred Payment Credit from Gujarat Industrial Development Corporation Ltd. (Towards Leasehold Land)	-	15.03
	-	-
Total	-	15.03

14. Deferred Tax Liabilities (Net)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Deferred Tax Liabilities		
Opening Balance	29.72	30.04
Add/(Less) during the year	-0.32	-0.32
Closing Balance	29.39	29.72
Total	29.39	29.72

15. Borrowings

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unsecured Loans repayable on Demand		
Loan from Directors & Relatives	9.11	15.81
Loan From Body Corporate	8.44	8.44
Total	17.54	24.24

16. Trade Payables

(Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Due to Micro & Small Enterprises	-	-
Others	127.20	264.55
Total	127.20	264.55

The Company has not received any intimation on suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosure as required under section 22 of The Micro, Small and Medium Enterprise Act, 2006.

- (a) Amount due and outstanding to suppliers as at the end of the accounting year;
 (b) interest paid during the year;
 (c) interest payable at the end of the accounting year;
 (d) interest accrued and unpaid at the end of the accounting year; have not been given, the company is making efforts to get the confirmation from the suppliers as regards their status under the said act.

Trade Payables ageing schedule

(Rs. in Lakh)

Particulars	2022 - 2023				Total
	Outstanding for following periods from the due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	--	--	--	--	--
(ii) Others	49.02	78.18	--	--	127.20
(iii) Disputed dues - MSME	--	--	--	--	--
(iv) Disputed dues - Others	--	--	--	--	--

Trade Payables ageing schedule

(Rs. in Lakh)

Particulars	2021 - 2022				Total
	Outstanding for following periods from the due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	--	--	--	--	--
(ii) Others	261.55	3.00	--	--	264.55
(iii) Disputed dues - MSME	--	--	--	--	--
(iv) Disputed dues - Others	--	--	--	--	--

17. Other Financial Liabilities - Current

Particulars	As at 31 March, 2023	As at 31 March, 2022
Others Advances	157.72	103.39
Total	157.72	103.39

18. Other Current Liabilities

Particulars	As at 31 March, 2023	As at 31 March, 2022
Statutory Dues	0.02	0.90
Other Payables	81.62	5.38
Total	81.64	6.28

19. Revenue from Operations

Particulars	2022-23	2021-22
Sale of Products & Services	690.26	724.71
(1) Sale of Steel Products	211.48	0.00
(2) Sale of Traded goods	478.79	724.71
Total	690.26	724.71

20. Other Income

Particulars	2022-23	2021-22
Dividend Income	0.015	0.012
Miscellaneous Income	0.386	0.0004
Total	0.401	0.013

21. Purchased of Stock in Trade

Particulars	2022-23	2021-22
(A) Purchase of Products		
(1) Purchase of Steel	203.73	0.00
(2) Purchase of Other Traded goods	413.23	635.81
Total	616.96	635.81

22. Change in Inventories

Particulars	2022-23	2021-22
(A) Opening Stock	2.98	2.98
Finished Goods		
(1) Equity Shares	2.98	2.98
(A) Closing Stock	2.98	2.98
Finished Goods		
(1) Equity Shares	2.98	2.98
Total	0.00	0.00

23. Employee Benefit Expenses

Particulars	2022-23	2021-22
Salary & Wages (including Bonus and Staff Welfare Expense)	14.20	12.97
Total	14.20	12.97

24. Finance Costs

Particulars	2022-23	2021-22
Bank Charges	0.06	0.06
Total	0.06	0.06

25. Depreciation & Amortization Expenses

Particulars	2022-23	2021-22
Depreciation	1.96	1.83
Total	1.96	1.83

26. Other Expenses

Particulars	2022-23	2021-22
Payment to Auditors *	0.45	0.45
Rates & Taxes (Excluding Income-Tax)	0.91	0.78
Miscellaneous Expenses	38.91	25.73
Telephone Exps	0.29	0.24
Annual Custody Fees	0.45	0.11
Office Exp	2.55	2.31
Share Listing Exp	4.15	4.17
ROC Exp	0.21	0.08
Travelling Expense (Including foreign Travel)	17.00	3.59
Conveyance Exp.	1.18	0.70
Pre - Operative Exp. Written off	1.29	1.29
Repairs and Maintainance expense	1.70	1.04
Other Miscellaneous Expenses	10.09	12.20
Total	40.27	26.97

* Payment to Auditors

For Audit Fees	0.45	0.45
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For Others	-	-
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27. Notes on Accounts

- **Contingent Liabilities**

There is no contingent liability as informed by management.

- **Capital Expenditure Commitments: Nil**

- **Related Party Transactions:-**

As per Indian Accounting Standard (Ind AS-24) issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships :

No.	Name	Relationship
1	Shalin A. Shah	Director
2	Ashok C. Shah	Director
3	Kiritbhai Ishwarbhai Patel	Independent Director
4	Kailasprasad Bhagvatiprasad Jani	Independent Director
5	Daxaben Mahendrakumar Shah	Independent Director
6	Chandrakant Natubhai Chauhan	Independent Director
7	Hirenkumar Tribhovandas Makwana (resigned w.e.f. 29.06.2022)	Chief Financial Officer
8	Himani Mayur Upadhyay (resigned w.e.f. 03.04.2023)	Company Secretary & Chief Financial Officer
9	Leena Ashok Shah	Relative of Director
10	Rhetan TMT Limited	Director having significant Influence
11	Gujarat Natural Resources Limited	Director having significant Influence
12	Ashoka Metcast Limited	Director having significant Influence

- Transactions with Related Parties**

Transactions that have taken place during the period April 1, 2022 to March 31, 2023 with Related parties by the company stated below.

(Rs. In Lakh)

1	Shalin A Shah	loan taken	5.45	6.25
		loan repaid	12.15	19.50
		Closing Balance	0.37	7.07
2	Ashok C Shah	loan taken	0	0
		loan repaid	0	0
		Closing Balance	1.50	1.50
3	Leena A Shah	loan taken	0	7.00
		loan repaid	0	0
		Closing Balance	7.24	7.24
4	Hirenkumar T Makwana	salary payable	1.98	1.56
		salary paid	1.90	1.44
		Closing Balance	0.20	0.12
5	Himani Upadhyay	salary payable	3.01	0.69
		salary paid	2.99	0.46
		Closing Balance	0.25	0.23
6	Rhetan TMT Limited	Purchase	240.40	149.41
		Sales	0	0
		Payment	321.00	39.50
		Closing Balance	29.32	109.91
7	Gujarat Natural Resources Limited	loan granted	0.00	4.00
		loan recovered	300.30	39.95
		Closing Balance	0.00	300.30
8	Ashoka Metcast Ltd	loan granted	0	270.60
		loan recovered	262.49	8.11
		Closing Balance	0	262.49

- Payment to the Auditors**

Particulars	2022-23	2021-22
Audit Fees	0.45	0.45
Company Matter	0	0
Income Tax Fees	0	0
Others	0	0
Total	0.45	0.45

- Segment Reporting :**

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified considering nature of products and services, the differing risks and returns and the internal business reporting systems.

The Group has four principal operating and reporting segments;

- Steel
- Trading of goods
- Others

(Rs. in Lakh)

Particulars	Steel		Trading of Goods		Others		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Segment Revenue	211.47	-	478.79	724.71	-	-	690.26	724.71
External Turnover	211.47	-	478.79	724.71	-	-	690.26	724.71
Inter Segment Turnover	-	-	-	-	-	-	-	-
Gross Turnover	211.47	-	478.79	724.71	-	-	690.26	724.71
Less : GST Recovered	-	-	-	-	-	-	-	-
Gross Turnover	211.47	-	478.79	724.71	-	-	690.26	724.71

(Rs. in Lakh)

Particulars	Steel		Trading of Goods		Others		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Segment Results before Interest & Taxes	7.74	-	65.57	88.90	0.40	0.0126	73.71	88.91
Less : Finance Cost & Other un-allocable Expenditure	-	-	-	-	-	-	(56.49)	(41.82)
Net Profit / (Loss) Before Tax	-	-	-	-	-	-	17.22	47.09
Less : Taxes	-	-	-	-	-	-	(2.23)	(7.02)
Net Profit / (Loss) After Tax	-	-	-	-	-	-	19.45	40.07

• **Earnings per Share:-**

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory/regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of IndAS-33.

Particulars	31-03-2023	31-03-2022
Net Profit Attributable to share holders	19.45	40.07
Weighted average number of equity shares (Nos.)	11,00.00	11,00.00
Basic and diluted earnings per share (Rs.)	0.02	0.0004
Nominal value of equity share (Rs.)	1	1

• **Capital Management**

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

(Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
- Total equity attributable to the equity share holders of the company	1100.00	1100.00
- As percentage of total capital	101.78%	98.25%
- Current loans and borrowings	17.54	24.24
- Non-current loans and borrowings	-	15.03
- Total loans and borrowings	17.54	39.27
- Cash and cash equivalents	36.74	19.72
- Net loans & borrowings	(19.20)	19.55
- As a percentage of total capital	(1.78%)	1.75%
Total capital (loans and borrowings and equity)	1080.80	1119.55

• **Fair Value measurements**

A. Financial Instruments by Category

(Rs. in Lakh)

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Financial Asset						
Investment	-	80.00	-	-	80.00	-
Loans	-	-	-	-	-	-
Trade receivables	-	242.87	-	-	116.79	-
Cash & Cash Equivalents	-	36.74	-	-	19.72	-
Other Financial Asset	-	-	-	-	-	-
Total Financial Asset	-	359.61	-	-	216.51	-
Financial Liabilities						
Non-Current Borrowing	-	-	-	-	15.03	-
Current Borrowings	-	17.54	-	-	24.24	-
Trade Payables	-	127.20	-	-	264.55	-
Other Financial Liabilities	-	157.72	-	-	103.39	-
Total Financial Liabilities	-	302.46	-	-	407.21	-

* Excluding investments in subsidiaries, joint control entities and associates measured at cost in accordance with Ind AS-27.

Fair value hierarchy

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

B. Fair value hierarchy for assets

Financial assets measured at fair value at March 31, 2023

(Rs. in Lakh)

	Level - 1	Level - 2	Level - 3	Total
Financial Assets Investment	--	--	80.00	80.00

Financial assets measured at fair value at March 31, 2022

(Rs. in Lakh)

	Level - 1	Level - 2	Level - 3	Total
Financial Assets Investment	--	--	80.00	80.00

Notes:

- Level 1: hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).
- Level 2: hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.
- Level 3: if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C. Fair value of financial assets and liabilities measured at amortized cost

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings, and other financial liabilities subsequently measured at amortized cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

• Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities. The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its Training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit Risk	Cash and cash equivalents, trade receivables, Financial assets measured and amortized cost	Aging Analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

(a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Trade Receivables

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. For trade receivables, provision is provided by the company as per the below mentioned policy :

(Rs. in Lakh)

Particulars	Gross Carrying Amount	Expected Credit losses rate (%)	Expected Credit Losses	Carrying amount of Trade Receivable
Considered for Goods				
0-12 Months	220.68	0	0	220.68
More than 1 Year	22.19	0	0	22.19
Total	242.87	0	0	242.87

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity Table

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2023

(Rs. in Lakh)

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
Non-current financial liabilities			
Borrowings	--	--	--
Current financial liabilities			
Borrowings	17.54	--	17.54
Trade Payables	127.20	--	127.20
Other Financial Liability	--	--	--
Total financial liabilities	144.74	--	144.74

As at March 31, 2022

(Rs. in Lakh)

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
Non-current financial liabilities			
Borrowings	--	15.03	15.03
Current financial liabilities			
Borrowings	24.24	--	24.24
Trade Payables	264.55	--	264.55
Other Financial Liability	--	--	--
Total financial liabilities	288.79	15.03	303.82

(c) Market Risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The Company is exposed to market risk primarily related to interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities.

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company's borrowings are Interest free, So there has been no exposure arise regarding Interest Rate Risk.

(Rs. in Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest Free Loan	--	15.03

(d) Price Risk

Exposure

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses. Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

Others

- As informed by the management that the loans are interest free, which in our opinion is violation of Section 186 (7) of the Companies Act, 2013.
- Confirmation of the concerned parties for the amount due to them and/or due from them as per accounts of the company are not received. Necessary adjustments, if any, will be made when accounts are reconciled or settled. Balance of sundry debtors and creditors, loans and advances accepted and given in the balance sheet are subject to confirmation.
- In the opinion of board of directors the value of loans and advances and other current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in balance sheet.
- As regards the deferred payment credit from GIDC, the said amount is outstanding since 1992-93, the management has provided us with the explanation that as the GIDC has not provided titles of the land, the said deferred payment credit shall be payable as and when GIDC executes the lease deeds with the company. The forside matter is in settlement during the year.
- There is carry forward of losses, the company need not to recognize deferred tax assets in the event of non-availability of convincing evidence as to future income.
- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Recent Pronouncement :

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

ADDITIONAL REGULATORY INFORMATION

(i) Title deeds of immovable properties not held in name of the company

Relevant line items in the Balancesheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
NIL	--	--	--	--	--	--
NIL	--	--	--	--	--	--

(ii) Loans or Advances granted to Promoters, Directors, KMP's and the related parties

- (a) repayable on demand or
(b) without specifying any terms or period of repayments

Related Party Transactions		
Loans granted		
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and advances in the nature of loans
Promoters		
Directors		
KMPs		
Related Parties - Non Current Financial Assets	0	0.00%
Related Parties - Current Financial Assets	0	0.00%

(iii) Capital Work-in progress (CWIP)

- (a) CWIP ageing schedule

Capital Work - in progress				Total
CWIP Aging Schedule				
CWIP	Amount in CWIP for a period of			
	Less than 1 Year	1 - 2 Years	2 - 3 Years	
Project in progress	--	--	--	--
Project temporarily suspended	--	--	--	--

- (b) CWIP whoes overdue or has exceeded its cost compared to its original plan. *

CWIP	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Project 1	--	--	--	--	--
Project 2	--	--	--	--	--

(iv) Details of Benami Property held :

As per information and explanation given by the Management of the Company, there is no proceedings initiated or pending against the company for holding any Benami Property under the Benami Transaction (Prohibition Act 1988) and Rules made thereunder.

- (v) During the year there is no registered charges pending required to be satisfied with Registrar of Companies beyond the statutory period.
- (vi) Relationship with Struck off Companies

Name of Struck off Company	Nature of transactions with struck off company	Balance outstanding	Relationship with the Struck off company if any
As per information and explanation given by the Company, there is no such Companies.			

(vii) Utilisation of borrowed funds and Share Premium

- (a) During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) Details of Crypto Currency or Virtual Currency

During the year the Company has not traded or invested in Crypto currency or Virtual Currency, hence disclosure requirement is not applicable to the Company.

(ix) Compliance with number of layers of companies :

Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

(x) Compliance with approved Scheme(s) of Arrangements

Company has not prepared any Scheme of Arrangements in terms of section 230 to 237 of the Companies Act, 2013.

Ratio	Particulars	Numerator	Denominator	Ratio 31-3-2023	Ratio 31-3-2022
(a)	Current Ratio	Current Asset	Current Liabilities	0.83	1.09
(b)	Debt Equity Ratio	Total Debt	Shareholder's equity	0.02	0.04
(c)	Debt service coverage ratio	Earnings available for debt service	Debt service	--	--
(d)	Return on Equity Ratio	NP after taxes	Average Shareholder's equity	0.02	0.04
(e)	Inventory turnover ratio	Cost of goods sold	Average inventory	--	--
(f)	Trade Receivables turnover ratio	Net credit sales	Average trade receivables	2.84	6.21
(g)	Trade Payables turnover ratio	Net credit purchases	Average trade payables	4.85	2.40
(h)	Net capital turnover ratio	Net sales	Average working capital	-10.79	19.56
(i)	Net Profit ratio	NP after tax	Net sales	0.028	0.055
(j)	Return on capital employed	EBIT	Capital Employed	0.0094	0.0261
(k)	Return on investment	Income from investments	Cost of investment	0.053	0.040

(xi) Utilisation of borrowed funds and Share Premium

- (a) During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xii) Details of Crypto Currency or Virtual Currency

During the year the Company has not traded or invested in Crypto currency or Virtual Currency, hence disclosure requirement is not applicable to the Company.

(xii) Compliance with number of layers of companies:

Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

(xiv) Compliance with approved Scheme(s) of Arrangements

Company has not prepared any Scheme of Arrangements in terms of section 230 to 237 of the Companies Act, 2013.

For, Lesha Industries Ltd.

Ashok C. Shah **Shalin A. Shah**
Director Director
DIN : 02467830 DIN : 00297447

Date : 26/05/2023
Place : Ahmedabad

For, KEYUR BAVISHI & CO.
(Chartered Accountants)
F.R.N. : 131191W

(CA KEYUR D. BAVISHI)
Proprietor
M.No. : 136571
UDIN: 23136571BGRSHA2144

STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our company's Equity Shares are listed on the BSE. The Rights Equity Shares will be listed on BSE. The Rights Equity Shares being issued pursuant to this Issue have not been listed earlier and will be listed on the Stock Exchange pursuant to this Issue. For details, see '*Terms of the Issue*' on page 140 of this Draft Letter of Offer.

Our Company will apply for approval for listing of the Rights Equity Shares on the BSE to be issued pursuant to this Rights Issue. Our Company will also make applications to BSE to obtain trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars. For the purposes of this Issue, the Designated Stock Exchange is BSE.

For the purpose of this section, unless otherwise specified:

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
4. In case of two days with the same high / low / closing price, the date with higher volume has been considered.

STOCK MARKET DATA OF THE EQUITY SHARES

The high, low, and average closing prices recorded on the BSE, during the preceding three years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Financial Year	Date of High	High (₹)	Volume on date of High (Number of Equity Shares)	Date of Low	Low (₹)	Volume on date of low (Number of Equity Shares)	Average price for the year (₹)
March 31, 2023	June 06, 2022	30.9	3592586	March 29, 2023	3.65	298401	10.49
March 31, 2022	August 25, 2021	10.6	212096	April 23, 2021	1.05	101	5.44
March 31, 2021	June 01, 2020	147	2020	February 23, 2021	0.75	16	0.98

Source: www.bseindia.com

STOCK PRICES FOR THE LAST SIX MONTHS

The high and low prices and volume of Equity Shares traded on the respective dates on the BSE during the last six months is as follows:

Month	Date of High	High (₹)	Volume (Number of Equity Shares)	Date of Low	Low (₹)	Volume (Number of Equity Shares)	Total number of days of trading	Average volume of Equity Shares
December 2023	Friday, December 29, 2023	5.4	1939871	Friday, December 22, 2023	3.83	148155	20	4.06
November 2023	Thursday,	4.14	83127	Tuesday,	3.77	187669	21	3.90

Month	Date of High	High (₹)	Volume (Number of Equity Shares)	Date of Low	Low (₹)	Volume (Number of Equity Shares)	Total number of days of trading	Average volume of Equity Shares
	November 02, 2023			November 28, 2023				
October 2023	Wednesday, October 04, 2023	4.25	168148	Thursday, October 26, 2023	3.7	137667	20	4.06
September 2023	Thursday, September 21, 2023	4.32	146916	Wednesday, September 13, 2023	3.86	101332	20	3.99
August 2023	Tuesday August 08, 2023	4.87	1079511	Tuesday August 29, 2023	3.79	179007	22	4.23
July 2023	Friday, July 28, 2023	4.04	231308	Tuesday, July 18, 2023	3.8	175903	21	3.89

Source: www.bseindia.com

The high, low and average prices recorded on the BSE Limited, during the last 4 (Four) weeks and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Week ended on	Closing Price (₹)	High Price (₹)	Date of High	Low Price (₹)	Date of Low
Thursday, January 25, 2024	4.72	4.84	Tuesday, January 23, 2024	4.65	Tuesday, January 23, 2024
Saturday, January 20, 2024	4.92	4.92	Monday, January 15, 2024	4.99	Monday, January 15, 2024
Friday, January 1, 2024	4.89	5	Monday, January 08, 2024	4.9	Friday, January 1, 2024
Friday, January 5, 2024	4.84	4.98	Monday, January 01, 2024	4.52	Monday, January 01, 2024

Source: www.bseindia.com

The Issue Price of ₹ 2.80/- (Rupees Two and Eighty paise Only) per Equity Share has been arrived at by our Company.

SECTION VIII – LEGAL AND OTHER INFORMATION

KEY INDUSTRY REGULATION AND POLICES

Given below is an indicative summary of certain sector specific and relevant laws and regulations in India, which are applicable to our Company. Taxation statutes such as the Income Tax Act, 1961 and other miscellaneous regulations and statutes such as the Trade Marks Act, 1999, apply to us as they do to any Indian company.

The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended by subsequent legislative, regulatory, administrative or judicial decisions.

INDUSTRY-SPECIFIC LEGISLATIONS APPLICABLE TO OUR COMPANY

N.A

GENERAL LAWS PERTAINING TO COMPLIANCE TO BE FOLLOWED BY OUR COMPANY

The Companies Act 1956 and the Companies Act, 2013 (“Acts”)

The Companies Act 1956 is still applicable to the extent it is not repealed and the Companies Act, 2013 (and the amendments thereof) is applicable to the extent notified. The Acts along with the relevant rules, clarifications and modifications made thereunder deals with the incorporation of companies, the procedure for incorporation and governance and regulation of companies post incorporation. The provisions of the Acts shall apply to all the companies incorporated either under it or under any other previous law.

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 list of labour laws which may be applicable to our Company due to the nature of our business activities:

Employees' Compensation Act, 1923

The Employees Compensation Act, 1923 (“EC Act”) (and the amendments thereof) provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. The EC Act also lays down the duties/ obligations of an employer and penalties in cases of nonfulfillment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees’ Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death \serious bodily injury.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952

The Employees’ Provident Funds and Miscellaneous Provisions Act, 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 Frames Employees Provident Scheme, 1952

Employees State Insurance Act, 1948

The Employees' State Insurance Act, 1948 (the "ESI Act") 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. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. 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 Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 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 Maternity Benefit Act, 1961 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.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013.

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, organising 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.

TAX LAWS

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

1. Income Tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years;
2. Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various state - wise legislations made thereunder;
3. The Integrated Goods and Service Tax Act, 2017;
4. Professional Tax state-wise legislations; and
5. Indian Stamp Act, 1899 and various state-wise legislations made thereunder.

OTHER LABOUR LAW LEGISLATIONS

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

1. State-wise Labour Welfare Fund Acts and rules made thereunder;
2. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the rules made thereunder;
3. The Industrial Employment (Standing Orders) Act, 1946;
4. Workmen Compensation Act, 1923;
5. Industrial Disputes Act, 1947;
6. Rights of Persons with Disabilities Act, 2016;
7. Child and Adolescent Labour (Prohibition and Regulation) Act, 1986;
8. Contract Labour (Regulation and Abolition) Act, 1970; and
9. Code on Wages Act, 2019.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, 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 shops and establishments and other rights and obligations of the employers and employees. All industries have to be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

Intellectual Property Laws

Intellectual property in India enjoys protection under both common law and statutes. Under statutes, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. These enactments provide for the protection of intellectual property by imposing civil and criminal liability for infringement. In addition to the domestic laws, India is party to several international intellectual property related instruments including the Patent Cooperation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, the Berne Convention for the Protection of Literary and Artistic Works, 1886, the Universal Copyright Convention adopted at Geneva in 1952, the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, 1961 and as a member of the World Trade Organisation is a signatory to the Agreement on Trade Related aspects of Intellectual Property Rights.

The Trademarks Act, 1999 (“Trademarks Act”)

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trade Marks Act, an application for trademark registration may be made with the Trade Marks Registry by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

Copyright Act, 1957

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, “**Copyright Laws**”) serve to create property rights for certain kinds of intellectual property, generally called works of authorship. The Copyright Laws protect the legal rights of the creator of an ‘original work’ by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works, musical works, artistic works, cinematography and sound recordings. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

The Patents Act, 1970

While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years from the beginning of the calendar year next following the year in which the author dies. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

The Patents Act, 1970 (“**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 recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

Section 39 of the Patents Act also prohibits any person resident in India from applying for a patent for an invention outside India without making an application for a patent for the same invention in India. The term of a patent granted under the Patents Act pursuant to Section 53 is for a period of twenty years from the date of filing

of the application for the patent. A patent shall cease to have effect if the renewal fee is not paid within the period prescribed for the payment of such renewal fee.

FOREIGN INVESTMENT LAWS

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

As per notice dated June 28, 2017 by the Ministry of Finance, with effect from July 1, 2017, Goods and Services Tax legislations (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to us. In addition to the above, we are required to comply with the provisions of the Companies Act, the Competition Act, 2002, different state laws and other applicable statutes for our day-to-day operations. Additionally, the GST Council on their 34th meeting on March 19, 2019 deliberated upon and decided new GST rate structure for the real estate sector, which has become effective from April 1, 2019.

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:-(i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import ("EXIM") Policy. Under the EXIM Policy, export of defence equipment falls under the restrictive Special Chemicals, Organisms, Materials, Equipment and Technologies list and requires a license.

The FTA prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number ("IEC") granted by the Director General of Foreign Trade pursuant to section 7. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority.

The Foreign Exchange Management Act, 1999 ("FEMA") and Regulations framed thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEM Rules and the FDI Policy. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEM Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid up equity capital on a fully diluted basis or shall not exceed five percent of the paid -up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid -up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The total holding by each FPI or an investor group, shall be less than 10 percent of the total paid -up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not

exceed 24 per cent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

With effect from April 1, 2020, the aggregate limit shall be the sectoral caps applicable to Indian company as laid out in paragraph 3(b) of Schedule I of FEM Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT, all investments 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, will require prior approval of the Government of India, as prescribed in the FDI Policy.

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.

Overseas Direct Investment ("ODI")

In terms of the Master Direction No. 15/2015-16 on "Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad" issued by the RBI, dated January 1, 2016, an Indian entity is allowed to make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

Competition Act, 2002 ("Competition Act")

The Competition Act is an act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of (i) certain agreements such as anti-competitive agreements and (ii) abuse of dominant position and regulation of combinations. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Competition Act. The prima facie duty of the Competition Commission of India ("Commission") is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The Commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days' in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General (as appointed under Section 16(1) of the Competition Act) he shall be punishable with a fine which may exceed to ₹0.1 million for each day during such failure subject to maximum of ₹10.0 million, as the Commission may determine.

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

There are no outstanding litigations involving our Company and our Subsidiaries/associates whose financial statements are included in the draft letter of offer, either separately or in a consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as 'material';

Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors on November 14, 2019 for the purposes of disclosure, any pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, including outstanding action, and tax matters, would be considered 'material' where:

- a. (i) the claim / dispute amount, to the extent quantifiable, excess than 2% of the consolidated Profit after tax of our Company; (ii) 1% of our consolidated total income of our Company whichever is lower in the most recent as per the last audited consolidated financial statements ("Materiality Threshold") would be considered 'material' for disclosure in this Draft Letter of Offer; and
- b. where the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (i) above, but the outcome of which could, nonetheless may have a material adverse effect on the position, business, operations, prospects or reputation of the Company have been considered "material";

CONTINGENT LIABILITIES OF OUR COMPANY

As per the Financial Statements for the Financial Year ending March 31, 2023, there are no contingent liabilities.

LITIGATION INVOLVING OUR COMPANY

1) Litigation Involving Actions by Statutory/Regulatory Authorities

As on date of this Draft Letter of Offer company has not received any Regulatory Charges:

2) Litigation involving Tax Liabilities

As on date of this Draft Letter of Offer, there are no Litigation involving Tax Liabilities against our Company;

a) Direct Tax Liabilities

As on date of this Draft Letter of Offer, there are no Litigation involving Direct Tax Liabilities against our Company.

b) Indirect Taxes Liabilities

As on date of this Draft Letter of Offer, there are no indirect tax liabilities against our Company;

3) Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

As on date of this Draft Letter of Offer, there are no proceedings involving issues of moral turpitude or criminal liability filed against our Company.

4) Proceedings involving Material Violations of Statutory Regulations by our Company

As on date of this Draft Letter of Offer, there are no proceedings involving issues of material violations of statutory regulations our Company.

- 5) **Matters involving economic offences where proceedings have been initiated against our Company**
As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company;
- 6) **Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company**

As on date of this Draft Letter of Offer, there are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;

LITIGATION INVOLVING OUR PROMOTERS AND PROMOTER GROUP

I) **Litigation Involving Action by Statutory/Regulatory Authority**

As on date of this Draft Letter of Offer, there are no subsisting litigations filed against our Promoters and Promoter Group by any Statutory/Regulatory Authority.

II) **Litigation involving Tax Liabilities**

a) **Direct Tax Liabilities-Outstanding Income Tax Demands**

As on date of this Draft Letter of Offer, there are no Direct Tax Liabilities-Outstanding Income Tax Demands against our Promoters and Promoter Group by any Statutory/Regulatory Authority.

- b) As on date of this Draft Letter of Offer, there are no e-proceedings are shown as pending as per website of Income Tax.

LITIGATION INVOLVING OUR DIRECTORS

1) **Litigation Involving Actions by Statutory/Regulatory Authorities**

As on date of this Draft Letter of Offer, the company has not received any Regulatory Charges:

LITIGATION INVOLVING OUR GROUP COMPANIES

1) **Litigation involving our Group Companies**

As on date of this Draft Letter of Offer, there are no subsisting litigations filed by or against our group companies;

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoter or any of our directors are or have been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET FOR THE FINANCIAL YEAR ENDING MARCH 31, 2023

Except as mentioned in this Draft Letter of Offer, no material circumstances have arisen since the date of last financial statement until the date of filing the Draft Letter of Offer, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months to our knowledge.

#These notices don't carry any amount, which can be disclosed.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authority's/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

APPROVALS FOR THE ISSUE

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)(a) of the Companies Act, 2013, by a resolution passed at its meeting held on Friday, February, 2024, authorized the Issue;

APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

Sr. No.	Description	Registrar	Date of Certificate	Date of Expiry
1.	Lesha Ventures Private Limited	Registrar of Companies, Gujarat	February 06, 2012	Valid until Cancelled

TAX RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Permanent Account Number	Income Tax Department	AABCA6470A	NA	Valid until cancelled
2.	GST Registration	Government of India	24AABCA6470A1Z9	July 01, 2017	Valid until cancelled

BUSINESS RELATED APPROVALS

Approvals/registration valid

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Certificate of Import Export Code (IEC)	Additional Director General of Foreign Trade			Perpetual
2.	Shop and Establishment Registration Certificate	Office of Chief Facilitator, Maharashtra Shop & Establishment (Regulation of Employment and condition of Service) Act, 2017			NA
3.	MSME Registration Certificate	Ministry of Micro, Small and Medium Enterprise			Perpetual

INTELLECTUAL PROPERTY RIGHTS

	N.A.						
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PENDING FOR RENEWAL LICENSES

There are no license/certificates which are pending for renewal.

TO BE APPLIED LICENSES

Company have not registered its Trademarks from the Trademark authority. Our Company is yet to apply for the trademark registration.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

This Issue of Equity Shares to the Eligible Shareholders is being made in accordance with the:

1. Resolution passed by our Board of Directors under clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, at their meeting conducted on Friday, February 02, 2024.
2. The Board of Directors of our Company in their meeting conducted on Friday, February 02, 2024 approved this Issue inter-alia on the following terms:

Issue Size	1,76,000,000 Equity Shares;
Issue Price	₹2.80/- (Rupees Two and Eighty paisa Only) per Right Equity Share, including a premium of ₹1.80/- (Rupees One Eighty paisa only) per Rights Equity Share
Rights Issue Entitlement Ratio	1.60 (One point six) Equity Shares for every 1 (One) Equity Shares held by eligible Equity Shareholders of our Company as on Record Date;
Record Date	[●]

The Board of Directors in their meeting held on Friday, February 02, 2024 have determined the Issue Price as ₹ 2.80/- per Equity Share and the Rights Entitlement as 1.60 (One point six) Rights Equity Share for every 1 (One) Equity Share held on the Record Date.;

3. This Letter of Offer has been approved at Rights Issue Committee on Friday, February 02, 2024;
4. Receipt of In-principal approval from BSE Limited in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Right Shares proposed to be allotted pursuant Issue vide a letter bearing reference number [●] from BSE Limited dated [●]. Our Company will also make application to BSE to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular;
5. Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company;

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

1. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.
2. The companies with which our directors or the persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.
3. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been identified as Wilful Defaulters by the RBI;
4. None of our Directors are associated with the securities market in any manner;
5. Our Company, the Promoters and members of the Promoter Group, and the Directors of our Company have not been declared as fugitive economic offenders or wilful defaulters;
6. None of our Directors currently holds nor have held directorship(s) in the last five years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange;

7. There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, Directors, Group Companies;
8. The Company, its Promoters, members of Promoter Group, are in compliance with Companies (Significant Beneficial Ownership) Rules, 2018;

PROHIBITION BY RBI

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

ELIGIBILITY FOR THE ISSUE

1. Our Company is a listed company incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the BSE Limited. Our Company is eligible to offer and issue Right Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations;
2. Our Company is undertaking this Right Issue in compliance with Part B-1 of Schedule VI of the SEBI (ICDR) Regulations.
3. Our Company undertakes to make an application to BSE Limited for listing of the Right Shares to be issued pursuant to this Issue.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

1. The present Issue being of less than ₹5,000 Lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI (ICDR) Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI (ICDR) Regulations with SEBI for information and dissemination on the website of SEBI, i.e. www.sebi.gov.in;
2. Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations to the extent applicable;
3. Further, in relation to compliance Regulation 62 (1) (a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to BSE for listing of the Right Shares to be issued pursuant to this Issue;

DISCLAIMER CLAUSE OF SEBI

The Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹5,000.00 Lakhs.

As required, a copy of the Letter of Offer is submitted to SEBI.

DISCLAIMER CLAUSES FROM OUR COMPANY

Our Company accept no responsibility for the statements made otherwise than in this Draft Letter of Offer or in any advertisement or other materials issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at his/ her own risk.

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

CAUTION

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Right Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date of this Letter of Offer.

DISCLAIMER WITH RESPECT TO JURISDICTION

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

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Rights Issue will be BSE.

DISCLAIMER CLAUSE OF BSE

“BSE Limited (“the Exchange”) has given vide its letter no. [●] dated [●], permission to the Company to use the Exchange’s name in this Letter of Offer as the stock exchange on which this Company’s securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company.

Further, BSE Limited does not in any manner:

1. Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
2. Warrant that our Company’s Equity Shares will be listed or will continue to be listed on BSE Limited; or
3. Take any responsibility for the financial or other soundness of our Company, its management or any scheme or project of our Company;

And it should not for any reason be deemed or construed that Letter of Offer has been cleared or approved by the BSE Limited.

Every Investor who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE Limited whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

FILING

The Draft Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is up to ₹5,000.00 Lakhs which does not require issuer to file Draft Letter of Offer with SEBI. The Company has filed Draft Letter of Offer with BSE for obtaining in-principal approval.

PREVIOUS PUBLIC OR RIGHTS ISSUES, IF ANY, DURING THE LAST FIVE YEARS

Our Company has not made any public issue or rights issue of any kind or class of securities since incorporation, and hence disclosures with respect to Performance vis-à-vis objects–Public/ rights issue by our Company, is not applicable.

CONSENTS

Consents in writing of all our Directors, Legal Counsel to the Issue, the Registrar to the Issue, in their respective capacities, have been obtained and such consents have not been withdrawn up to the time of delivery of this Letter of Offer.

EXPERT

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

Our Company has received a written consent from our Statutory Auditors, M/s. Keyur Bavishi & Co, Chartered Accountants, to include their name in this Draft Letter of Offer and as an ‘expert’, as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated February 6, 2024 included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Letter of Offer.

SELLING RESTRICTIONS

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

We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form. Further, this Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, and BSE Limited. Accordingly, our Company, and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including this Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, and the Application Form.

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

Accordingly, the Rights Entitlements or Right Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Right Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Right Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or their respective affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Right Shares referred to in this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Right Shares in this Issue must provide an Indian address.

No information in this Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlement and the Right Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Right Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company to make any filing or registration (other than in India).

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

The contents of this Letter of Offer and Abridged Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Right Shares or Rights Entitlements. As a result, each Investor should consult its own counsel, business advisor, and tax advisor as to the legal, business, tax, and related matters concerning the offer of Right Shares or Rights Entitlements. In addition, neither our Company nor the Registrar nor any of their respective affiliates are making any representation to any offeree or purchaser of the Right Shares or the Rights Entitlements regarding the legality of an investment in the Right Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Right Shares have not been and will not be registered under the United States Securities Act, 1933, as amended, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof or to, or for the account or benefit of, 'U.S. persons' (as defined in Regulation S under the Securities Act, except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Right Shares referred to in this Draft Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Right Shares and/ or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this Letter of Offer, and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Letter of Offer, the Abridged Letter of Offer, Entitlement Letter, and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Right Shares shall be made from US bank accounts and all persons subscribing for the Right Shares and wishing to hold such Right Shares in registered form must provide an address for registration of the Right Shares in India.

We, the Registrar, or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:

- a. **Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Right Shares in compliance with all applicable laws and regulations;**
- b. **Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;**
- c. **Where a registered Indian address is not provided;**
- d. **Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;**

And we shall not be bound to allot or issue any Right Shares in respect of any such Application Form.

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

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

1. Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011 dated June 3, 2011'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising of Shalin Ashok Shah, Ashok Chinubhai Shah and Chandrakant Chauhan, members of the said committee, which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, **Purva Sharegistry (India) Pvt. Ltd.** for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

2. Investor Grievances arising out of this Issue

Our Company's investor grievances arising out of the Issue will be handled by **Purva Shareregistry (India) Pvt. Ltd.**, who is the Registrar to the Issue. The Registrar to the Issue will have a separate team of personnel handling only post- Issue correspondence.

The agreement between our Company and the Registrar to the Issue will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice to enable the Registrar to redress grievances of Investors.


All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar to the Issue for attending to routine grievances will be seven to ten days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to the Issue to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Investors may contact the Company Secretary and Compliance Officer of our Company and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post-Issue related problems such as non-receipt of allotment advice/ demat credit etc.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Right Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' on page 140 of this Letter of Offer.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

<p>Contact Person: Miteshkumar Rajgor 7th Floor, Ashoka Chambers, Mithakali Six Roads, Ahmedabad-380006, Gujarat, India,</p> <p>Tel: 079-26463227 Email-ID: info@lesha.in Website: www.lesha.in</p>	 <p>Name: Purva Shareregistry (India) Pvt. Ltd Address: 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg Lower Parel (East), Mumbai-400011 Telephone: +91 022-3199 8810 / 4961 4132 / 4970 0138 Email: support@purvashare.com Investor Grievance Email: support@purvashare.com Website: www.purvashare.com Contact Person: Deepali Dhuri SEBI Registration No.: INR000001112</p>
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SECTION IX – ISSUE INFORMATION

TERMS OF THE ISSUE

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

Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their application. For more details, please see 'Application by Eligible Equity Shareholders Holding Equity Shares in Physical Form' on page 158 of this Draft Letter of Offer.

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

IMPORTANT

1. Dispatch and availability of Issue materials

In accordance with the SEBI (ICDR) Regulations, ASBA Circular, our Company will send/dispatch at least 3 (Three) days before the Issue Opening Date, the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other applicable Issue Materials only to the Eligible Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them. Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

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

Access of Documents on the website of	URL of websites
Company	www.lesha.in
Registrar to the Issue	www.purvashare.com
BSE Limited	www.bseindia.com

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at www.linkintime.co.in by entering their DP-ID, Client-ID, or Folio Number (for Eligible Equity Shareholders holding Equity

Shares in physical form as on the Record Date) and PAN. The link for the same shall also be available on the website of our Company at www.lesha.in

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible. Please note that, our Company and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, and the Application Form attributable to the non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

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

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

2. Process of making an Application in this Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before

making their Application through ASBA. For details, please refer to the Paragraph titled ‘Procedure for Application through the ASBA Process’ on page 153 of this Letter of Offer.

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

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

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouces, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, please see the section entitled ‘Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders’ on page 143 of this Letter of Offer.

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

Investors may apply for the Rights Entitlements by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see the paragraph titled ‘Grounds for Technical Rejection’ on page 162 of this Letter of Offer. Our Company, the Registrar to the Issue, and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI (ICDR) Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, please see the section entitled 'Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process' on page 172 of Letter of Offer.

3. Credit of Rights Entitlements in demat accounts of Eligible Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations, read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- (i) The demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and
- (ii) A demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to:
 - (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - (b) Equity Shares held in the account to IEPF authority; or
 - (c) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
 - (e) Credit of the Rights Entitlements returned/reversed/failed; or
 - (f) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable
 - (g) Eligible Equity Shareholders who have not provided their Indian addresses.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar, to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., www.purvashare.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

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

OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors	www.purvashare.com
Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders	
Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company	www.purvashare.com
Updating of demat account details by Eligible Shareholders holding shares in physical form	

RENOUNCEES

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

BASIS FOR THIS ISSUE

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

RIGHTS ENTITLEMENTS

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

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Common Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

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

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

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send/dispatch the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

PRINCIPAL TERMS OF THIS ISSUE

Face Value	Each Rights Equity Share will have the face value of ₹1.00/- (Rupees One Only).
Issue Price	₹2.80/- (Rupees Two and Eighty paise Only) per Rights Equity Share including a premium of ₹1.80/- (Rupees One Eighty paise) per Rights Share). On Application, Investors will have to pay full amount i.e. ₹2.80 (Rupees Two and Eighty paise Only) per Rights Share.
Rights Entitlements Ratio	The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 1.6 (One point six) Rights Equity Shares for every 1 (One) Equity Shares held by the Eligible Equity Shareholders as on the Record Date i.e. [●].
Renunciation of Rights Entitlements	<p>This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.</p> <p>The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and <i>vice versa</i> shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.</p> <p>The renunciation of Rights Entitlements credited in your demat account can be made either by way of On Market or through off-market transfer. For details, see 'Procedure for Renunciation of Rights Entitlements' on page 154 of this Letter of Offer.</p> <p>In accordance with SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account of the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.</p>
Credit of Rights Entitlements in dematerialised account	<p>In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date, i.e.[●]; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.</p> <p>In this regard, our Company has made necessary arrangements with NSDL and CDSL for the credit of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a</p>

Trading of the Rights Entitlements	<p>dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date and shall be active for renunciation or transfer only during the Renunciation Period, i.e., from [●] to [●] (both days inclusive). It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.</p>
	<p>Eligible Equity Shareholders, whose Rights Entitlement are credited in demat suspense escrow account opened by our Company are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. www.purvashare.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.</p>
	<p>Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.</p> <p>PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE I.E., [●] AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE ‘PROCEDURE FOR APPLICATION’ ON PAGE 151 OF THIS LETTER OF OFFER.</p>
	<p>In accordance with the SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under Rights Entitlement ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade/ transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.</p> <p>The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is One Rights Entitlement.</p> <p>The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the</p>

Terms of Payment	Renounces on or prior to the Issue Closing Date. For details, see ‘Procedure for Renunciation of Rights Entitlements – On Market Renunciation’ and ‘Procedure for Renunciation of Rights Entitlements – Off Market Renunciation’ on page 155 of this Draft Letter of Offer. Once the Rights Entitlements are credited to the demat account of the Renounces, application in the Issue could be made until the Issue Closing Date. For details, see ‘Procedure for Application’ on page 151 of this Letter of Offer.														
	Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.														
	On Application, Investors will have to pay full amount ₹2.80 (Rupees Two and Eighty paise Only) per Rights Share, as Rights Issue Application money and the balance on one or more subsequent call(s) as determined by our Board/Committee of the Board from time to time. Where an Applicant has applied for additional Rights Equity Shares and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds/refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. If there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rateas prescribed under applicable law.														
	<table><tr><th>AMOUNT PAYABLE PER RIGHTS EQUITY SHARE</th><th>Face Value</th><th>Premium</th><th>Total</th></tr><tr><td>On the Rights Issue Application</td><td>₹ 1.00</td><td>₹1.80</td><td>₹2.80</td></tr><tr><td>Total (₹)</td><td>₹ 1.00</td><td>₹ 1.80</td><td>₹ 2.80</td></tr></table>				AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	Face Value	Premium	Total	On the Rights Issue Application	₹ 1.00	₹1.80	₹2.80	Total (₹)	₹ 1.00	₹ 1.80
AMOUNT PAYABLE PER RIGHTS EQUITY SHARE	Face Value	Premium	Total												
On the Rights Issue Application	₹ 1.00	₹1.80	₹2.80												
Total (₹)	₹ 1.00	₹ 1.80	₹ 2.80												
Fractional Entitlements	The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 1.40 (One point four) Rights Equity Shares for every 1 (One) Equity Share held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares or is not in the multiple of [●] ([●]) Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored will be given preferential consideration for the Allotment of one (1) additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.														
	For example, if an Eligible Equity Shareholder holds [●] ([●]) Equity Shares, such Equity Shareholder will be entitled to [●] ([●]) Rights Equity Share and will also be given a preferential consideration for the Allotment of one (1) additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.														
	Further, the Eligible Equity Shareholders holding less than [●] ([●]) Equity Shares shall have ‘zero’ entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to														

Credit Rating	availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.
	As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.
Ranking	The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Common Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and allotted under this Issue shall, upon being fully paid up, rank <i>paripassu</i> with the existing Equity Shares, in all respects including dividends. In respect of the Rights Equity Shares, Investors are entitled to dividend in proportion to the amount paid up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid-up equity capital of our Company.
	Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principal approval from the BSE Limited vide its letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.
Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue	For an applicable period, the trading of the Rights Equity Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount.
	The existing Equity Shares are listed and traded on BSE (Scrip Code: 533602) and Stock Exchanges (Symbol: LESJAIND) under the ISIN: INE050L01048. The Rights Equity Shares shall be credited to a temporary RE ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary RE ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary RE ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.
	The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.
	In case our Company fails to obtain listing or trading permission from the Stock Exchanges, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/ blocked within four (4) days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/unblocked within four (4) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.
	For details of trading and listing of partly paid-up Rights Equity Shares, please refer to the heading

Subscription to this Issue by our Promoters and our Promoter Group	‘Terms of Payment’ at page 147 of this Draft Letter of Offer.
	For details of the intent and extent of subscription by our Promoter and the Promoter Group, please refer to the chapter titled ‘Capital Structure – Intention and extent of participation by our Promoters/Principal Shareholders’ on page 72 of this Draft Letter of Offer.
	<p>Subject to applicable laws, Rights Equity Shareholders shall have the following rights:</p> <ol style="list-style-type: none"> The right to receive dividend, if declared; The right to vote in person, or by proxy; The right to receive surplus on liquidation; The right to free transferability of Rights Equity Shares; The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited/restricted by law; and Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association. <p>Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue</p>

GENERAL TERMS OF THE ISSUE

Market Lot	The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one (1) Equity Share.
Joint Holders	Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.
Nomination	<p>Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.</p> <p>Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.</p>
Arrangements for Disposal of Odd Lots	The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be 1 (one) Rights Equity Share and hence, no arrangements for disposal of odd lots are required.
Restrictions on transfer and transmission of shares and on their	There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019 and as amended vide SEBI Notification bearing No. SEBI/LAD-NRO/GN/2022/66 on January 24, 2022, the request for transfer of securities shall not be effected unless the securities are held in the dematerialized form with a depository. Provided further that

consolidation/splitting	transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form
Notices	<p>In accordance with the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, our Company will send / dispatch the Letter of Offer, the Rights Entitlement Letter, Common Application Form and other issue materials ("Issue Materials") only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.</p> <p>Further, the Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.</p> <p>All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in (i) One English language national daily newspaper with wide circulation; (ii) One Hindi language national daily newspaper with wide circulation; and (iii) One Gujarati language daily newspaper with wide circulation (Gujarati being the regional language of Gujarat, where our Registered Office is situated) and/or, will be sent by post or electronic transmission or other permissible mode to the addresses of the Eligible Equity Shareholders provided to our Company. This Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Common Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.</p>

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, among to these things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar by email on support@purvashare.com or physically/postal means at the address of the Registrar mentioned on the cover page of the Letter of Offer. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Common Application Form shall be sent/dispatched to the email addresses and Indian addresses of non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Common Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to their repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident on non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Shareholders holding Equity Shares in physical form as on the Record Date, see 'Procedure for Application by Eligible Shareholders holding Equity Shares in physical form' on page **Error! Bookmark not defined.** of this Draft Letter of Offer.

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

Common Application Form

The Common Application Form for the Rights Equity Shares offered as part of this Issue would be sent/dispatched (i) only to email address of the resident Eligible Equity Shareholders who have provided their email

address; (ii) only to the Indian addresses of the resident Eligible Equity Shareholders, on a reasonable effort basis, who have not provided a valid email address to our Company; (iii) only to the Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Common Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent/ dispatched at least three days before the Issue Opening Date. The Renounces and Eligible Equity Shareholders who have not received the Common Application Form can download the same from the website of the Registrar, our Company or Stock Exchanges.

In case of non-resident Eligible Equity Shareholders, the Common Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email-to-email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Common Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit or contact the Registrar. Investors can access this Letter of Offer, the Abridged Letter of Offer and the Common Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

Access of Documents on the website of	URL of websites
Company	www.lesha.in
Registrar to the Issue	www.purvashare.com
BSE Limited	www.bseindia.com

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.purvashare.com/rights-issue/input-form.php by entering their DP-ID and Client-ID or Folio Number (Physical Shareholders) and PAN. The link for the same shall also be available on the website of our Company at www.lesha.in

The Common Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounces, to make Applications in this Issue, based on the Rights Entitlement credited in their respective demat accounts. Please note that one single Common Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Common Application Form for each demat account.

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

Please note that Applications made with payment using third party bank accounts are liable to be rejected.

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

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see ‘Grounds for Technical Rejection’ on page 162 of this Draft Letter of Offer. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making a plain paper Application. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see ‘*Application on Plain Paper under ASBA process*’ on page 156 of this Draft Letter of Offer.

OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

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

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

1. Apply for its Rights Shares to the full extent of its Rights Entitlements; or
2. Apply for its Rights Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Rights Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Rights Shares to the full extent of its Rights Entitlements and apply for additional Rights Shares; or
5. Renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

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

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

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link. **Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.**

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

ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Rights Shares:

1. Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Please note that on the Issue Closing Date:

1. Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected. Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 156 of this Draft Letter of Offer.

ADDITIONAL RIGHTS SHARES

Investors are eligible to apply for additional Rights Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Shares under applicable law and they have applied for all the Rights Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section '*Basis of Allotment*' on page 167 of this Draft Letter of Offer.

Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Shares.

Non-resident Renounces who are not Eligible Equity Shareholders cannot apply for additional Rights Shares. Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, Such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off-market transfer,

during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

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

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

On Market Renunciation

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

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchanges under the RE ISIN [●] allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (One) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

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

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

(i) Off Market Renunciation

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

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

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

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

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

PLEASE NOTE THAT APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED

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

- (i) Name of our Company, being '**LESJA INDUSTRIES LIMITED**';
- (ii) Name and address of the Eligible Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (iii) Registered Folio Number/DP-ID and Client ID Number;
- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option – only dematerialized form;
- (vi) Number of Rights Shares entitled to;
- (vii) Total number of Rights Shares applied for within the Rights Entitlements;
- (viii) Number of additional Rights Shares applied for, if any;
- (ix) Total Application Money at the rate of ₹2.80/-(Rupees Two and Eighty paise Only) per one Rights Shares;
- (x) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- (xi) In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- (xii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Shares applied for pursuant to this Issue;
- (xiii) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (xiv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and

(xv) In addition, all such Eligible Shareholders are deemed to have accepted the following:

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

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

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

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

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

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

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

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

APPLICATION BY ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

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

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit www.purvashare.com

PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

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

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The Eligible Equity Shareholders can access the Common Application Form from

Access of Documents on the website of	URL of websites
Company	www.lesha.in
Registrar to the Issue	www.purvashare.com
BSE Limited	www.bseindia.com

- (d) Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.* www.purvashare.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (*i.e.* www.lesha.in);
- (e) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, submit the Common Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, i.e. [●] AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE ISSUE CLOSING DATE, AS THE CASE MAY BE.

GENERAL INSTRUCTIONS FOR INVESTORS

- (a) Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Common Application Form sent to you.
- (c) The Common Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- (d) Application should be made only through the ASBA facility.
- (e) Application should be complete in all respects. The Common Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form are liable to be rejected. The Common Application Form must be filled in English.
- (f) In case of non-receipt of Common Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section 'Application on Plain Paper under ASBA process' on page 156 of this Draft Letter of Offer.
- (g) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
- (h) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- (i) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date for Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- (j) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.

- (k) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Common Application Form.
- (l) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors. Further, in case of Application in joint names, each of the joint Applicants should sign the Common Application Form.**
- (m) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid there on.
- (n) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (o) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Common Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- (p) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Common Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (q) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- (r) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/rights issues and clear demarcated funds should be available in such account for ASBA applications.
- (s) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (t) An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue.

Do’s:

- (a) Ensure that the Common Application Form and necessary details are filled in.
- (b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ('Demographic Details') are updated, true and correct, in all respects.
- (d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- (e) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (f) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (g) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Common Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (h) Ensure that you have authorised the SCSB for blocking funds equivalent to the amount payable on application mentioned in the Common Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- (i) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (j) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Common Application Form in physical form or plain paper Application.
- (k) Ensure that the name(s) given in the Common Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Common Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Common Application Form and the Rights Entitlement Letter.

Don'ts:

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (e) Do not submit multiple Applications.
- (f) Do not submit the Common Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

- (g) Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (h) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Grounds for Technical Rejection

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

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
- (c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (d) Funds in the ASBA Account whose details are mentioned in the Common Application Form having been frozen pursuant to regulatory orders.
- (e) Account holder not signing the Application or declaration mentioned therein.
- (f) Submission of more than one Common Application Form for Rights Entitlements available in a particular demat account.
- (g) Multiple Common Application Forms, including cases where an Investor submits Common Application Forms along with a plain paper Application.
- (h) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (i) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (j) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (k) Common Application Forms which are not submitted by the Investors within the time periods prescribed in the Common Application Form and the Letter of Offer.
- (l) Physical Common Application Forms not duly signed by the sole or joint Investors.
- (m) Common Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (n) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (o) Applications which: (i) does not include the certifications set out in the Common Application Form; (ii) appears to us or our agents to have been executed in or dispatched from a Restricted Jurisdiction; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Common Application Form is incomplete or acceptance of such Common Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares in respect of any such Common Application Form.

- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.

Depository account and bank details for Investors holding Equity Shares in demat accounts and applying in this Issue

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE COMMON APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE COMMON APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE COMMON APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE COMMON APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Common Application Form or the plain paper

Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Common Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Common Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Common Application Forms are liable to be rejected.

MODE OF PAYMENT

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

In case of Application through ASBA facility, the Investor agrees to block the amount payable on Application with the submission of the Common Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Common Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Common Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

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

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

The SCSB may reject the application at the time of acceptance of Common Application Form if the ASBA Account, details of which have been provided by the Investor in the Common Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Common Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

1. Mode of payment for Resident Investors

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

Ensure that the name(s) given in the Common Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Common Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names

are in the same sequence in which they appear in the Common Application Form and the Rights Entitlement Letter. All payments on the Common Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

2. Mode of payment for non-resident Investors

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

- (i) Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, the BSE Limited, and our Company;

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions (other than the United States and India) where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering such jurisdiction. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions and in each case who make a request in this regard.

- (ii) Common Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- (iii) Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

Notes

- (i) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
- (ii) In case Rights Shares Are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India;
- (iii) In case of a Common Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
- (iv) Common Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
- (v) In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;
- (vi) Non-resident Renounces, who are not Eligible Shareholders, must submit regulatory approval for applying for additional Rights Shares;

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see ‘**Procedure for Applications by Mutual Funds**’ on page 172 of this Draft Letter of Offer.

In cases where multiple Common Application Forms are submitted, including cases where an Investor submits Common Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in ‘**Capital Structure – Intention and extent of participation by our Promoters / Principal Shareholders**’ on page 40 of this Draft Letter of Offer.

Last date for Application

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

If the Common Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the paragraph titled ‘Basis of Allotment’ on page 167 of this Draft Letter of Offer.

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

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

Withdrawal of Application

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

Issue Schedule

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION*	[●]
ISSUE CLOSING DATE[#]	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

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

#Our Board or Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date, i.e. Wednesday, April 12, 2023.

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

For details, please see the section titled '**General Information**' on page 35 of this Draft Letter of Offer.

BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Shares in the following order of priority:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlements of Rights Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Shares renounced in their favour, in full or in part.
2. Eligible Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Shares after allotment under (a) above. If number of Rights Shares required for Allotment under this head are more than the number of Rights Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
3. Allotment to the Eligible Shareholders who having applied for all the Rights Shares offered to them as part of this Issue, have also applied for additional Rights Shares. The Allotment of such additional Rights Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Shares after making full Allotment in (1) and (2) above. The Allotment of such Rights Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
4. Allotment to Renounces who having applied for all the Rights Shares renounced in their favour, have applied for additional Rights Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Rights Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
5. Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

For Applications through R-WAP, instruction will be sent to Escrow Collection Bank with list of Allottees and corresponding amount to be transferred to the Allotment Account. Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank to refund such Applicants.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations (or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e- mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and “our Directors” who are officers in default shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days’ period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

1. Unblocking amounts blocked using ASBA facility.
2. National Automated Clearing House (hereinafter referred to as ‘NACH’) – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf,

from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

3. National Electronic Fund Transfer (hereinafter referred to as ‘NEFT’) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (hereinafter referred to as ‘IFSC Code’), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine-digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
5. RTGS – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the FCNR/NRE Account of the non-resident Applicants, details of which were provided in the Common Application Form.

Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (in case of credit of the Rights Equity Shares returned/ reversed/ failed) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT

PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS WHERE THE CREDIT OF THE RIGHTS EQUITY SHARES RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated [•] with NSDL and an agreement dated [•] with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Common Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Common Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Common Application Form, the Investor will not get any Rights Equity Shares and the Common Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Common Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounces will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further,

the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which maybe 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 an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

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

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

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

Procedure for Applications by Mutual Funds

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

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

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

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 1 million or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 5 million or with both.

Payment by stock invest

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

DISPOSAL OF APPLICATION AND APPLICATION MONEY

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Common Application Form will acknowledge its receipt by

stamping and returning the acknowledgment slip at the bottom of each Common Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

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

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

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

UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- 1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken within the time limit specified by SEBI.
- 3) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 (Fifteen) days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6) Adequate arrangements shall be made to collect all ASBA Applications.
- 7) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

MINIMUM SUBSCRIPTION

The Promoters and members of the Promoter Group of our Company through its letter dated Wednesday, February 7, 2024 have agreed to subscribe to the full extent of its Rights Entitlements in this issue and that they shall not renounce their Right Entitlements except within the Promoter Group, in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations; and at their sole discretion, apply for and subscribe to additional Rights Equity Shares, and any such subscription for Rights Equity Shares shall be over and above their Rights Entitlement.

The Objects of the Issue involve manufacture, imports, exports, trading and dealing in various kinds of steels products and also business of chemical products. Further, our Promoters have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group) subject to the aggregate shareholding of our Promoters and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI (LODR) Regulations. Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reasons:

- (i) Object of the Issue being other than capital expenditure for a project; and
- (ii) Our Promoter and Promoter Group have confirmed that they will subscribe to their full rightentitlement and will not renounce rights entitlements except to the extent of renunciation within the promoter group.

IMPORTANT

1. Please read the Issue Materials carefully before taking any action. The instructions contained in the Issue Materials are an integral part of the conditions and must be carefully followed; otherwise, the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed '**LESHA INDUSTRIES LIMITED – RIGHT ISSUE**' on the envelope and postmarked in India or in the email) to the Registrar at the following address:



Name: Purva Share Registry (India) Pvt. Ltd.

Address: 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg Lower Parel (East), Mumbai-400011

Telephone: +91 022-3199 8810 / 4961 4132 / 4970 0138

Email: support@purvashare.com

Investor Grievance Email:

Website: www.purvashare.com

Contact Person:

SEBI Registration No.: INR000001112

1. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (www.purvashare.com). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties is 91 810 811 4949
2. This Issue will remain open for a minimum 7 (Seven) days. However, our Board or our Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the 'government route', where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ('FDI') and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ('DPIIT'), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ('**FDI Circular 2020**'), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

The Registrar to the Issue and our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies ('OCBs') have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular

2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

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

SECTION X – OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered more than two years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and the documents for inspection referred to hereunder, would be available on the website of the Company at www.lesha.in from the date of this Draft Letter of Offer until the Rights Issue Closing Date.

Material Contracts for the Rights Issue

1. Registrar Agreement dated [●], between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated [●] among our Company, the Registrar to the Issue and the Bankers to the Issue;

Material Documents in relation to the Rights Issue

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Certificate of incorporation and fresh certificate of incorporation pursuant to change of name of our Company;
3. Copies of financial results for the half Year ended March 31, 2023, and the annual report of our Company for the last 3 (Three) Financial Years ending March 31, 2023, March 31, 2022, March 31, 2021;
4. Resolution of our Board of Directors dated [●] approving the Issue;
5. Resolution of our Board of Directors dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
6. Rights Issue Committee Resolution dated [●], approving this Letter of Offer;
7. Resolution of our Board of Directors dated [●] approving the Letter of Offer;
8. Consents of our Directors, Company Secretary, Chief Financial Officer, Bankers to our Company, Bankers to the Issue, and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
9. Report on Statement of Special Tax Benefits dated [●], for our Company from the Statutory Auditors of our Company;
10. In-principle approval issued by BSE Limited dated [●];

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

Signed by all the Directors of our Company

Sd/-

Ashok Chinubhai Shah
Executive Director

Sd/-

Shalin Ashok Shah
Non-Executive Director

Sd/-

Leena Ashok Shah
Executive Director

Sd/-

Chandrakant Chauhan
Independent Director

Sd/-

Daxaben Mahendrakumar Shah
Independent Woman Director

Sd/-

Kiritbhai Ishwarbhai Patel
Independent Director

Sd/-

Kailasprasad Bhagvatiprasad Jani
Independent Director

Date: February 02, 2024

Place: Ahmedabad