

## ALAN SCOTT INDUSTRIES LIMITED

Alan Scott Industries Limited (CIN: L33100MH1994PLC076732) was incorporated on February 22, 1994, under the Companies Act, 1956 in the name and style as Suketu Fashions Limited as a Public Limited company in the State of Maharashtra. The Company obtained the Certificate of Commencement of Business on March 9, 1994 from the Registrar of Companies, Maharashtra, Mumbai. The Company changed its name from Suketu Fashions Limited to Alan Scott Industries Limited and a fresh Certificate Incorporation was issued by the Registrar of Companies on October 24, 1997. The name was again changed to Alan Scott Industries Limited and a fresh Certificate of Incorporation dated September 9, 2006 was issued by the Registrar of Companies, Maharashtra. The Company made its maiden public issue in August 1994 and got listed on the OTC Stock Exchange of India. The Registered Office of the Company is situated at Unit no.302, Kumar Plaza, 3rd floor, Near Kalina Masjid, Kalina Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India. For details of changes in name and registered office of our Company, see ‘**General Information**’ beginning on page 45 of the Draft Letter of Offer.

**Registered Office:** Unit no.302, Kumar Plaza, 3<sup>rd</sup> Floor, Near Kalina Masjid, Kalina Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India

**Contact Number:** +91-22-61786000/ +91-22-61786001;

**Contact Person:** Miss Sneha Upendra Shukla, Company Secretary and Compliance Officer;

**E-mail Address:** alanscottcompliance@gmail.com; **Website:** www.thealanscott.com;

**Corporate Identity Number:** L33100MH1994PLC076732

### THE PROMOTER OF OUR COMPANY IS SURESH PUKHRAJ JAIN

### FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS ALAN SCOTT INDUSTRIES LIMITED

**RIGHTS ISSUE OF UP TO 18,25,377 (EIGHTEEN LAKHS TWENTY FIVE THOUSAND THREE HUNDRED AND SEVENTY SEVEN) PARTLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹10.00/- (RUPEES TEN ONLY) EACH OF OUR COMPANY (THE ‘RIGHTS EQUITY SHARES’) FOR CASH AT A PRICE OF ₹30.00/- (RUPEES THIRTY ONLY) PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹20.00/- (RUPEES TWENTY ONLY) PER RIGHTS EQUITY SHARE) AGGREGATING UP TO ₹547.61/- LAKHS\* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 1 (ONE) RIGHT EQUITY SHARE FOR EVERY 1 (ONE) EQUITY SHARE HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●], 2023 (THE ‘ISSUE’). FOR FURTHER DETAILS, SEE ‘TERMS OF THE ISSUE’ BEGINNING ON PAGE 202. THE RIGHTS ISSUE PRICE IS 3 (THREE) TIMES THE FACE VALUE OF THE EQUITY SHARES.**

*\*Assuming full subscription and receipt of all Call Monies with respect to Rights Equity Shares.*

### RIGHT ISSUE PRICE

AMOUNT PAYABLE PER RIGHT EQUITY SHARE	FACE VALUE	PREMIUM	TOTAL	PERCENTAGE OF RIGHT ISSUE PRICE
On Application	₹3.50/-	₹6.50/-	₹10.00/-	33.33%
Two or more calls, subsequent calls as may be determined by the Board/ Committee	₹6.50/-	₹13.50/-	₹20.00/-	66.67%
<b>Total</b>	<b>₹10.00/-</b>	<b>₹20.00/-</b>	<b>₹30.00/-</b>	<b>100.00%</b>

### WILFUL DEFAULTER(S) OR FRAUDULENT BORROWER(S)

Neither our Company nor our Promoter or any of our Directors have been identified as Wilful Defaulter(s) or Fraudulent Borrower(s).

### GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the SEBI nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Specific attention of investors is invited to the statement of ‘**Risk Factors**’ beginning on page 24.

### COMPANY’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 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 on BSE Limited. Our Company has received ‘in-principle’ approval from BSE Limited for listing the Rights Equity Shares to be allotted pursuant to the Issue through its letters dated [●], 2023. Our Company will also make application to BSE Limited to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purposes of the Issue, the Designated Stock Exchange is BSE Limited.

### REGISTRAR TO THE RIGHTS ISSUE



#### **PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED**

Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai - 400011, Maharashtra, India;

**Contact Details:** + 91-22-2301-2518 / 6761;

**E-mail ID:** support@purvashare.com;

**Investor grievance e-mail:** support@purvashare.com;

**Website:** www.purvashare.com;

**Contact Person:** Ms. Deepali Dhuri;

**SEBI Registration Number:** INR000001112;

**Corporate Identification Number:** U67120MH1993PTC074079;

### ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
[●]	[●]	[●]

\*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 accounts of the Renouncees on or prior to the Issue Closing Date.

\*\*Rights Issue Committee 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.

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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### DEFINITIONS

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. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

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 Alan Scott Industriess 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 65, 62, 124, 186, and 202 respectively, shall have the meaning given to such terms in such sections.

#### CONVENTIONAL/ GENERAL TERMS

Term	Description
Alan Scott Industriess Limited/ Company/ ALAN SCOTT	Alan Scott Industriess Limited, a public limited company incorporated on February 22, 1994, under the provisions of the Companies Act, 1956, as amended from time to time, having its registered office located at Unit no.302, Kumar Plaza, 3rd Floor, Near Kalina Masjid, Kalina Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India, bearing corporate identification number ‘L33100MH1994PLC076732’
Alan Scott Health & Hygiene Limited	Alan Scott Health & Hygiene Limited, a public limited company, incorporated on March 17, 2022, under the provisions of the Companies Act, 2013, having its registered office located at Unit no.302, Kumar Plaza, 3rd Floor, Near Kalina Masjid, Kalina Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India, bearing corporate identification number ‘U24290MH2022PLC378563’
Alan Scott Nanoveu India Limited	Alan Scott Nanoveu India Limited, a public limited company, incorporated on June 18, 2022, under the provisions of the Companies Act, 2013, having its registered office located at Unit no.302, Kumar Plaza, 3rd Floor, Near Kalina Masjid, Kalina Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India, bearing corporate identification number ‘U72200MH2022PLC384843’
Alan Scott Retail Limited	Alan Scott Retail Limited, a public limited company, incorporated on December 24, 2021, under the provisions of the Companies Act, 2013, having its registered office located at Unit no.302, Kumar Plaza, 3rd Floor, Near Kalina Masjid, Kalina Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India, bearing corporate identification number ‘U74999MH2021PLC373919’
We/ us/ our	Unless the context otherwise indicates or implies, refers to Alan Scott Industriess Limited
AoA/ Articles of Association	The Articles of Association of Alan Scott Industriess Limited, as amended from time to time

Term	Description
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
Audited Financial Statements	The audited financial statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Years ended on March 31, 2021, and March 31, 2022
Auditors/ Statutory Auditors/ Peer Review Auditor	The current statutory auditors of our Company M/s. Pravin Chandak & Associates., Chartered Accountants bearing Firm Registration Number '116627W'
Board of Directors/ Board	Board of Directors of our Company
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Ms. Sneha Shukla
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Ms. Sushma P.N.
Corporate Social Responsibility Committee	The committee of the Board of Directors constituted as our Company's Corporate Social Responsibility Committee in accordance with the provisions of Section 135 of the Companies Act
Directors	The director(s) on the Board of our Company, unless otherwise specified
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Alan Scott Industriess Limited as on the Record Date
Equity Shares	Equity shares of the Company having face value of ₹10.00 (Rupees Ten Only)
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of Sections 2(47) and 149(6) of the Companies Act and Regulation 16 (1) of the SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ' <b>Our Management</b> ' beginning on page 109 of this Draft Letter of Offer
Internal Compliant Committee	The committee of the Board of directors reconstituted as our Company's Internal Compliant Committee in accordance with the provisions Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
ISIN of our Company	International Securities Identification Number being INE273F01022
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. For details, please refer to section titled ' <b>Our Management</b> ' beginning on page 109 of this Draft Letter of Offer
Materiality Policy	A policy adopted by our Company, in the Board meeting held on November 10, 2015, for identification of material litigation(s) for the purpose of disclosure of litigations which was subsequently amended on Monday, November 14, 2022
MoA/ Memorandum of Association	The Memorandum of Association of Alan Scott Industriess 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 the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations
Promoter	The Promoter of our Company is Suresh Kumar Jain
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 Limited under the SEBI (LODR) Regulations
Registered Office	The registered office of our Company is situated at No.302, Kumar Plaza, Near Kalina Masjid, Kalina Kurla Road, Santacruz East, Mumbai – 400029, Maharashtra, India
Registrar of Companies	Registrar of Companies, Mumbai situated at 5th Floor, 100, Everest Building, Netaji Subhash Road, Marine Dr, Mumbai – 400002, Maharashtra, India
Restated Consolidated Financial Statements	The restated consolidated financial information of our Company and its subsidiaries, comprising the restated consolidated Statements of Assets

<b>Term</b>	<b>Description</b>
	and Liabilities for the nine-months ending December 31, 2022, and for the Financial Years ended on March 31, 2022, 2021, and 2020, and the restated consolidated Statements of Profit and Loss, the restated consolidated Statements of Cash Flows, the restated consolidated Statements of Changes in Equity for the nine-months ending December 31, 2022, and for the Financial Years ended on March 31, 2022, 2021, and 2020, the Summary Statement of Significant Accounting Policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on 'Reports in Company Prospectuses (Revised 2019)' issued by ICAI, as amended from time to time.
Restated Standalone Financial Statements	The restated standalone financial information of our Company comprising the restated standalone Statements of Assets and Liabilities for the nine-months ending December 31, 2022, and for the Financial Years ended on March 31, 2022, 2021, and 2020, and the restated consolidated Statements of Profit and Loss, the restated standalone Statements of Cash Flows, the restated standalone Statements of Changes in Equity for the nine-months ending December 31, 2022, and for the Financial Years ended on March 31, 2022, 2021, and 2020, the Summary Statement of Significant Accounting Policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on 'Reports in Company Prospectuses (Revised 2019)' issued by ICAI, as amended from time to time.
Restated Financial Statements	The Restated Consolidated Financial Statements and the Restated Standalone Financial Statements are hereinafter collectively referred to as the Restated Financial Statements
Risk Management Committee	The committee of the Board of Directors constituted as our Company's Risk Management Committee in accordance with the provisions of Regulation 21 of the SEBI (LODR) Regulations
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 and Regulation 20 of the SEBI (LODR) Regulations
Stock Exchange	The stock exchange where the Equity Shares are presently listed, being BSE Limited
Subsidiaries	The subsidiaries of our Company are Alan Scott Retail Limited, Alan Scott Health & Hygiene Limited, Alan Scott Nanoveu India Limited

## ISSUE RELATED TERMS

<b>Term</b>	<b>Description</b>
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 Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allot/ Allotment/ Allotted	Unless the context requires, the allotment of Rights Equity Shares pursuant to this Issue.
Allotment Account	The account opened with the Banker to the Issue, into which the Application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer 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 Equity Shares pursuant to this Issue



Term	Description
	after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment Date	The date on which the Allotment is made pursuant to this Issue.
Allottees	Person(s) who are Allotted Rights Shares pursuant to the Allotment.
Applicant(s)/ Investor(s)	Eligible Shareholder(s) and/or Renouncee(s) who make are entitled to make an application for the Rights Shares pursuant to this Issue in terms of the Letter of Offer.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form through the website of the SCSBs (if made available by such SCSBs) under the ASBA process is used by an Investor to make an application for the Allotment of Rights Shares in the Issue.
Application Money	The aggregate amount payable at the time of Application ₹10.00/- (Rupees Ten Only) (representing 33.33% (Thirty Three Point Three Three Percent) of the Issue Price) in respect of the Rights Shares applied for in this Issue at the Issue Price.
Application Supported by Blocked Amount/ 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 an SCSB which may be blocked by such SCSB to the extent of the Application Money of the ASBA Investor.
ASBA Applicant /ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renouncees) shall make an application for a rights issue only through the 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, the SEBI circulars bearing reference numbers 'SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009', 'CIR/CFD/DIL/1/2011 dated April 29, 2011', and 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020'.
Bankers to the Issue	Collectively, the Escrow Collection Bank, Allotment Account Bank, and the Refund Bank to the Issue, in this case being [●];
Bankers to the Issue Agreement	Agreement dated [●] entered by and amongst our Company, the Registrar, and the Bankers to the Issue.
Basis of Allotment	The basis on which the Rights Shares will be Allotted to successful Applicants in the Issue in consultation with BSE Limited, and which is described in the section titled ' <i>Terms of the Issue</i> ' beginning on page 202 of this Draft Letter of Offer.
BSE Limited	BSE Limited, being the Stock Exchange where presently the Equity Shares of the Company are listed.
Call Monies	The balance amount payable by the holders of the Rights Shares pursuant to the Payment Schedule, is ₹20.00/- (Rupees Twenty Only) per Rights Equity Share (representing 66.67% (Sixty Six Point Six Seven Percent) of the Issue Price) after payment of the Application Money.
Call Record Date	A record date fixed by our Company to determine the names of the holders of Rights Shares for the purpose of issuing the Call.
Call	The notice issued by our Company to the holders of the Rights Shares as on the Call Record Date for making a payment of the Call Monies.
Controlling Branches /Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the the Registrar to the Issue, and BSE Limited, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> .
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.

Term	Description
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Form or plain paper application, submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Draft Letter of Offer/ DLoF	This Draft Letter of Offer dated Thursday, February 23, 2023, filed with BSE Limited, in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approvals.
Eligible Shareholders Equity	Existing Equity Shareholders as on the Record Date i.e. [●]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders.
Issue/ Rights Issue	Rights Issue of up to 18,25,377 (Eighteen Lakhs Twenty-Five Thousand Three Hundred and Seventy Seven) partly-paid up Rights Shares of our Company for cash at a price of ₹30.00/- (Rupees Thirty Only) per Rights Shares (including a premium of ₹20.00/- (Rupees Twenty Only) aggregating to an amount of up to ₹547.61 Lakhs (Rupees Five Crores Forty-Seven Lakhs Sixty-One Thousand Three Hundred Ten Only) ( <i>assuming full subscription and receipt of all Call Monies with respect to Rights Shares</i> ) on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 1 (One) Right Equity Share for every 1 (One) Equity Share held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [●]. On Application, Investors will have to pay ₹10.00- (Rupees Ten Only) per Rights Equity Share which constitutes 33.33% (Thirty Three point Three Three Percent) of the Issue Price, and the balance ₹20.00/- (Rupees Twenty Only) per Rights Share which constitutes 66.67% (Sixty Six point Six Seven Percent) of the Issue Price, will have to be paid, on one or more additional calls as may be decided by the Board/ Rights Issue Committee of the Board from time to time.
Issue Opening Date	[●].
Issue Closing Date	[●].
Issue Materials	The Letter of Offer, Abridged Letter of Offer, Rights Entitlement Letter, Application Forms, including any notices, corrigendum thereto.
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	₹30.00/- (Rupees Thirty Only) per Rights Equity Share issued in 1 (One) Rights Entitlement, including a premium of ₹20.00/- (Rupees Twenty Only) per Rights Share). On Application, Investors will have to pay ₹10.00/- (Rupees Ten Only) per Rights Equity Share which constitutes 33.33% (Thirty-Three point Three Three Percent) of the Issue Price, and the balance ₹20.00/- (Rupees Twenty Only) per Rights Share which constitutes 66.67% (Sixty Six point Six Seven Percent) of the Issue Price, will have to be paid, on one or more additional calls as may be decided by the Board/ Rights Issue Committee of the Board from time to time.
Issue Shares	Up to 18,25,377 (Eighteen Lakhs Twenty-Five Thousand Three Hundred and Seventy Seven) partly-paid-up Rights Equity Shares.
Issue Proceeds	The proceeds of the Issue that are available to our Company.
Issue Size	Amount aggregating up to ₹547.61 Lakhs (Rupees Five Crores Forty-Seven Lakhs Sixty-One Thousand Three Hundred Ten Only) ( <i>Assuming full subscription and receipt of all Call Monies with respect to Rights Shares</i> ).
Letter of Offer/ LoF	The final letter of offer is to be filed with SEBI and BSE Limited after incorporating the observations received from BSE on the Draft Letter of Offer.
Listing Agreements	Listing agreements entered between our Company and BSE Limited in terms of the SEBI (LODR) Regulations.



Term	Description
Multiple Application Forms	More than one Application Form submitted by an Eligible Equity Shareholder/Renouncee in respect of the same Rights Entitlement available in their demat account. However supplementary applications in relation to further Rights Shares with/without using additional Rights Entitlements will not be treated as multiple applications.
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 54 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 Renouncees.
Non-Institutional Investors/ NIIs	An Investor is other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations.
Offer Document	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigendum, advertisements, thereto, Rights Entitlement Letter.
Off Market Renunciation	The renunciation of Rights Entitlements is 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 BSE Limited through a registered stockbroker in accordance with the SEBI Rights Issue Circulars and the circulars issued by BSE Limited, from time to time, and other applicable laws, on or before [●].
Payment Schedule	Payment schedule under which 33.33% (Thirty-Three point Three Three Percent) of the Issue Price is payable on Application, i.e., ₹10.00/- (Rupees Ten Only) per Rights Share, and the balance unpaid capital constituting 66.67% (Sixty Six point Six Seven Percent) of the Issue Price i.e., ₹20.00/- (Rupees Twenty Only) will have to be paid, on one or more additional calls as may be decided by the Board/ Committee of the Board 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 to determine the Eligible Equity Shareholders eligible to apply for Rights Shares, being [●].
Refund Bank	The Banker to the Issue with the Refund Account will be opened, in this case being [●].
Registrar Agreement	Agreement dated [●] entered between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Registrar to the Company	Link InTime India Private Limited.
Registrar to the Issue	Purva Sharegistry (India) Private Limited.
Renouncees	Any persons who have acquired Rights Entitlements from the Eligible 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	An Individual Investor (including an HUF applying through Karta) who has applied for Rights Shares and whose Application Money is not more than ₹2,00,000/- (Rupees Two Lakhs Only) in the Issue as defined under Regulation 2(1)(vv) of the SEBI (ICDR) Regulations.

Term	Description
Rights Entitlement Letter	This letter includes details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are accessible on the website of our Company.
Rights Entitlement (s)/ RES	The number of Rights 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 [●] Rights Shares for every [●] Equity Shares held by an Eligible 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 Shares	Equity Shares of our Company to be Allotted pursuant to this Issue;
SEBI Rights Issue Circulars	The SEBI circular bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020'.
Self-Certified Syndicate Banks/ SCSB(s)	Self-certified syndicate banks registered with SEBI, which act as a Banker to the Issue and which offer the facility of ASBA. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a>
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, 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 Mumbai are open for business. Furthermore, the period between the Issue Closing Date and the listing of Equity Shares on BSE Limited, working day means all trading days of BSE, excluding Sundays and bank holidays, as per circulars issued by SEBI.

## INDUSTRY RELATED TERMS

Term	Description
CAGR	Compound Annual Growth Rate
EPA	Externally Aided Projects
FDI	Foreign Direct Investment
FMCG	Fast Moving Consumer Goods
GDP	Gross Domestic Product
GERD	Gross Expenditure on Research and Development
ICT	Information and Communications Technology
IMF	International Monetary Fund
MT	Million Tonnes
MTPA	Million Tonnes Per Annum
PPP	Public Private Partnership
STI	Science Technology and Innovation
WHO	World Health Organization

## ABBREVIATIONS

Term	Description
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAF	Common Application Form
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate Social Responsibility
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
Depositories Act	The Depositories Act, 1996, including subsequent amendments thereto
DIN	Director Identification Number
DP	Depository Participant
DP-ID	Depository Participant's Identification
DR	Depository Receipts
EBITDA	Profit/(loss) before 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
EPC Services	Engineering, Procurement, and Construction services
EPS	Earning per Equity Share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FY/ Financial Year	Period of 12 months ended March 31 of that particular year, unless otherwise stated
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GDR	Global Depository Receipt
GNPA	Gross Net Performing Assets
GoI / Government	The Government of India
GST	Goods and Services Tax

Term	Description
HUF	Hindu Undivided Family
Ind AS	Indian Accounting Standards
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Indian GAAP/ I-GAAP	Generally Accepted Accounting Principles In India
Income Tax Act/ IT Act	The Income Tax Act, 1961 and amendments thereto
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended
INR / ₹ / Rs. / Indian Rupees	Indian Rupee, the official currency of the Republic of India
IST	Indian Standard Time
IT	Information Technology
MCA	The Ministry of Corporate Affairs, Government of India
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
NCT	National Capital Territory, Delhi
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer.
Net Worth	The aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account, and debit or credit balance of the profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, writeback of depreciation and amalgamation
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and 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
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time

<b>Term</b>	<b>Description</b>
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
Securities Act	United States Securities Act of 1933, as amended
STT	Securities transaction tax
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

## NOTICE TO OVERSEAS INVESTORS

The distribution of the Issue Material and the Issue of Rights Entitlements or the Rights Shares on a rights basis 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 the Issue Materials through email and courier to such Eligible Shareholders who have a registered address in India or have provided an Indian address to our Company. The Draft Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company or who are in jurisdictions where the offer and sale of the Rights Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. 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. Investors can also access the Issue Material from the websites of the Registrar, our Company, and on BSE.

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 for observations. Accordingly, the Rights Entitlements or the Rights 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 Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the Issue of Rights Entitlements or the Rights Shares, 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 Materials are received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlements, or the Rights Shares referred to in the Issue Materials.

Any person who makes an application to acquire the Rights Entitlement or the Rights Shares offered in this Issue will be deemed to have declared, represented, warranted, and agreed that she/he is authorized to acquire the Rights Entitlement or the Rights 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 the Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to Allot or issue any Rights Entitlement or Rights Shares 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 or Rights 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 the offer of the Rights Entitlement or the Rights Shares. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Entitlement or the Rights Shares regarding the legality of an investment in the Rights Entitlement or the Rights Shares by such offeree or purchaser under any applicable laws or regulations.**

### NO OFFER IN THE UNITED STATES

The Right Entitlements or the Rights 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 Issue Materials are being offered in India, but not in the United States. The offering to which the Issue Materials relate to is not and are under no circumstances to be construed as, an offering of any Right Entitlement or the Rights Shares for sale in the United



States or as a solicitation therein of an offer to buy any of the said Right Entitlement or the Rights Shares. 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 Letters 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 Right Entitlements or the Rights Shares and wishing to hold such Rights Shares in registered form must provide an address for registration of the Equity Shares in India. Any person who acquires Right Entitlements or Rights Shares will be deemed to have declared, represented, warranted, and agreed, that:

1. It is not and that at the time of subscribing for the Right Entitlements or the Rights Shares, 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 Right Entitlements or the Rights Shares in compliance with all applicable laws and regulations.

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

1. 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 and the Equity Shares in compliance with all applicable laws and regulations;
2. Appears to our Company or its agents to have been executed in or dispatched from the United States;
3. Where a registered Indian address is not provided; or
4. Where our Company believes that the 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 Entitlement or the Right in respect of any such Application Form.

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

## **PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA**

### **CERTAIN CONVENTIONS**

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 Alan Scott Industriess Limited or, as the context requires, and references to 'you' are to the Equity Shareholders and/ or prospective Investors in the Equity Shares.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time.

Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

### **FINANCIAL DATA**

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the Audited Financial Statements, which have been 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 124 of this Draft Letter of Offer.

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

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

One lakh is equal to 100 thousand;

One crore is equal to 10 million/100 lakhs;

## 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. General economic and business conditions in India and in the markets in which we operate and in the local, regional, and national economies;
2. Changes in laws and regulations relating to the logistic sector and industry in which we operate;
3. Increased competition in industries and sector in which we operate;
4. 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;
5. 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;
6. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
7. Any adverse outcome in the legal proceedings in which our Company is involved;
8. Other factors beyond our control;
9. Our ability to manage risks that arise from these factors;
10. Changes in Government policies and Regulatory actions that apply to or affect our business;
11. Conflicts of interest with affiliated companies, the promoter group and other related parties;
12. The performance of the financial markets in India and globally; and
13. We are affected by volatility in interest rates, adversely affecting our net interest income;

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

## 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’**, **‘Industry Overview’**, **‘Business Overview’**, and **‘Outstanding Litigations, Defaults and Material Developments’** beginning on pages 24, 54, 65, 104, and 186 of this Draft Letter of Offer, respectively.

### PRIMARY INDUSTRY

Our Company had been inoperative until previous financial years, and has started generating revenue only through investment activities routing through its various subsidiaries, the Industry Overview section depicts the industry in which our Subsidiaries operate. The industries that our subsidiaries operate in are the retail industry, science and technology industry, and health care industry. For further details kindly refer to the risk factor **‘Our Company has had explored various business opportunity in the Financial Years prior to 2020. As a result of which the financial disclosures in the Restated Financial Statements shall not give a true and fair view of the current operations of our business.’**, **‘Our Subsidiaries operate in various facets of industries.’**, and **‘The Company had been inoperative until previous financial years, and has started generating revenue only through investment activities routing through its various subsidiaries, as a result of which, there are losses in booked and in the near future, we may not be able to achieve profitability.’** on page 25 of this Draft Letter of Offer, and the section titled **‘Industry Overview’** on page 65 of this Draft Letter of Offer.

### PRIMARY BUSINESS

Our Company had been inoperative until previous financial years and the Company has started generating revenue only through investment activities routing through its various subsidiaries, namely being:

- (a) Alan Scott Retail Limited, through which’s incorporation on December 24, 2021, our Company has established and is operating four stores in Mumbai and North India.
- (b) Alan Scott Health & Hygiene Limited, a company was incorporated on March 17, 2022. The Company has been developing air purification solutions and is engaged in discussion with several hospitals, where the Company’s air solutions are accepted as a counter against hospital acquired infection, which is a major issue being faced by the hospitals across the geography. The Company is in negotiation for air purifiers to be installed in hospitals and offices with huge staff. Air purifiers range being offered by the Company are innovative and revolutionary products that not only purifies the air but also kills the viruses.
- (c) Alan Scott Nanoveu India Limited, a company was incorporated on June 18, 2022, with an aim to market and distribute the innovative products developed by its Australian partner.

For further details, please refer to the chapter titled **‘Business Overview’** beginning on page 104 of this Draft Letter of Offer.

### PROMOTER OF OUR COMPANY

As of the date of this Draft Letter of Offer, the Promoter of our Company is Sureshkumar Pukhraj Jain.

For further details, please refer to section titled **‘Our Promoters and Promoter Group’** beginning on page 118 of this Draft Letter of Offer.

## 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#	₹547.61
Less: Estimated Issue related Expenses	(₹23.00)
<b>Net Proceeds from the Issue</b>	<b>₹524.61</b>

Notes:

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

The amount utilized towards general corporate purposes shall not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds.

#Rounded off to two decimal places.

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

Sr. No.	Particulars	Amount (₹ in Lakhs)
1.	Repayment/ prepayment, in part or full, of certain of our borrowings	₹33.00
2.	Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Retail Limited	₹271.00/-
3.	Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Nanoveu India Limited	₹95.00/-
4.	General Corporate Purposes <sup>#</sup>	₹125.61
<b>Total Net Proceeds<sup>@</sup></b>		<b>₹524.61</b>

# 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 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 54 of this Draft Letter of Offer.

## SUBSCRIPTION TO THE ISSUE BY OUR PROMOTER

The Promoter of our Company, through his letter dated Wednesday, February 15, 2023, has confirmed that, he intends to subscribe in part or to full extent of his Right Entitlements in this Issue and to the extent of the unsubscribed portion (if any) of this Issue and that he shall not renounce his Right Entitlements in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations.

The Promoter has confirmed that he intends to apply for and subscribe to the additional Rights Equity Shares and any Rights Equity Shares offered in the Issue that remains unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under and subject to compliance with the provisions of the Companies Act, the SCRR, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, and SEBI (SAST) Regulations.

Any such subscription for Rights Equity Shares over and above the Rights Entitlement of the Promoter may result in an increase in his shareholding percentage in the Company. The allotment of Rights Equity Shares of the Company subscribed by the Promoter 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. This 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.

## FINANCIAL INFORMATION

The following table sets forth the summary of the financial information derived from the Restated Consolidated Financial Statements for the nine-months ending December 31, 2022, and for the Financial Year ending March 31, 2022.

Particulars	Restated Consolidated Audited Financial Statements	
	For the half-year ended December 31, 2022 (₹ in Lakhs)	For the Financial Year ended March 31, 2022 (₹ in Lakhs)
Equity Share Capital	182.54	182.54
Net-Worth	173.73	308.60
Total Income	410.70	190.97
Profit/ (loss) after tax (excluding comprehensive income/ (loss))	(140.62)	(6.18)
Basic EPS	(7.71)	(0.31)
Diluted EPS	(7.71)	(0.31)
Net asset value per Equity Share	11.77	17.04
Total borrowings (Including current and non-current borrowings)	244.07	12.98

The following table sets forth the summary of the financial information derived from the Restated Standalone Financial Statements for the nine-months ending December 31, 2022, and for the Financial Years ended on March 31, 2022, 2021, and 2020.

(₹ in Lakhs)

Particulars	Restated Standalone Audited Financial Statements			
	For the half-year ended December 31, 2022	For the Financial Year ending March 31		
		2022	2021	2020
Equity Share Capital	182.54	182.54	118.54	68.54
Net-Worth	214.81	311.02	153.28	27.89
Total Income	37.26	178.30	11.31	4.64
Profit/ (loss) after tax (excluding comprehensive income/ (loss))	(96.21)	(2.26)	0.38	(6.78)
Basic EPS	(5.27)	(0.12)	0.03	(0.99)
Diluted EPS	(5.27)	(0.12)	0.06	(0.99)
Net asset value per Equity Share	11.77	17.04	12.93	4.07
Total borrowings (Including current and non-current borrowings)	46.94	12.98	4.95	0.45

For further details, please refer to section titled '**Financial Information**' beginning on page 124 of this Draft Letter of Offer.

## QUALIFICATIONS OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED CONSOLIDATED FINANCIAL INFORMATION

Our Statutory Auditor has not made a qualification which has not been given effect to in the Restated Financial Statements.

For further details on auditor qualifications, please refer to the section titled '**Financial Information**' beginning on page 124 of this Draft Letter of Offer.



## OUTSTANDING LITIGATIONS

A summary of outstanding legal proceedings as of the date of this Draft Letter of Offer as disclosed in the section titled ***‘Outstanding Litigations, Defaults and Material Developments’*** in terms of the SEBI (ICDR) Regulations and the Materiality Policy is provided below.

As on date of this Draft Letter of Offer, there are no litigations or proceedings subsisting or existing by or against the Company, Directors, Promoter, or the Subsidiaries, summary of outstanding litigation proceedings involving our Company, Directors, Promoters, and Subsidiaries, is specified as below:

Nature of Entity	Criminal Proceedings	Civil Proceedings	Tax Proceedings	Statutory regulatory proceedings	Disciplinary actions by SEBI or BSE	Aggregate amount involved (₹ in Lakhs)
<b>Company</b>						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil
<b>Directors</b>						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoter</b>						
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
<b>Subsidiaries</b>						
By the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

For further details, please refer to section titled ***‘Outstanding Litigations, Defaults and Material Developments’*** beginning on page 186 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 that impacts the business of the Company, and other economic factors, please refer to the section titled ***‘Risk Factors’*** beginning on page 24 of this Draft Letter of Offer.

## CONTINGENT LIABILITIES

As on date of this Draft Letter of Offer, there are no contingent liabilities as per Ind AS – 37 Provisions and contingent liabilities of our Company.

For details of the contingent liabilities, as reported in the Restated Consolidated Financial Statements, please refer to the section titled ***‘Financial Information’*** beginning on page 124 of this Draft Letter of Offer.

## RELATED PARTY TRANSACTIONS

The details of our related party transactions as per Ind AS – 24 Related Party Disclosures, read with SEBI (ICDR) Regulations have been derived from the nine-months ended December 30, 2022, and for the Financial Years ended on March 31, 2022, 2021, and 2020, is specified as below:

(₹ in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Transactions during the year with related parties and KMP</b>				
<b>Salary</b>				
Vikal Bankelal Chaurasiya	1.50	3.50		
Rajeev Shankar Godhkindi	1.50	3.70		
Manoj Iyer	9.25	7.09		
	<b>12.25</b>	<b>14.29</b>		
<b>Sales</b>				
Jain Business Services	0.48	0.21		
	<b>0.48</b>	<b>0.21</b>		
<b>Rent</b>				
Jain Business Services	4.80	3.50		
	<b>4.80</b>	<b>3.50</b>		
<b>Consultancy fees received/ Purchases</b>				
Jain Business Services			1.13	
Hygienix Techno Services Pvt Ltd		2.14		
		<b>2.14</b>	<b>1.13</b>	
<b>Investment in Subsidiary</b>				
Alan Scott Retail Ltd	8.49	8.49		
Alan Scott Health and Hygiene Ltd	8.00			
Alan Scott Nanoveu India Ltd	6.90			
	<b>23.40</b>	<b>8.49</b>		
<b>Loan to Subsidiary</b>				
Alan Scott Retail Ltd	116.09	85.90		
Alan Scott Health and Hygiene Ltd	23.35			
Alan Scott Nanoveu India Ltd	1.91			
	<b>141.35</b>	<b>85.90</b>		
<b>Net Unsecured Loan taken</b>				
Saloni Suresh Jain		(4.95)	4.95	
Suresh Jain	10.50			
Suncap SS Global Ventures P Ltd-Inter Corporate	<b>22.50</b>			
	<b>33.00</b>	<b>(4.95)</b>	<b>4.95</b>	
<b>23.3 Balances as at the year end</b>				
<b>Unsecured Loans</b>				
Saloni Suresh Jain			<b>4.95</b>	
Suresh Jain	<b>10.50</b>			
Suncap SS Global Ventures P Ltd-Inter Corporate	<b>22.50</b>			
	<b>33.00</b>		<b>4.95</b>	

For details of the Related Party Transactions, as reported in the Restated Financial Statements, please refer to the section titled '**Financial Information**' beginning on page 124 of this Draft Letter of Offer.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoter, 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.

## ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR PRECEDING THE DATE OF FILING OF THIS DRAFT LETTER OF OFFER

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

**SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not undertaken a split or consolidation of its Equity Shares in the one year preceding the date of this Draft Letter of Offer.

### SECTION III – RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors, uncertainties, and all other information described in this Draft Letter of Offer, in conjunction with ‘Industry Overview’, ‘Business Overview’, ‘Financial Statements’, ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’, and ‘Key Industry Regulations and Policies’ beginning on pages 65, 104, 124, 175, and 190 respectively in this Draft Letter of Offer, before making an investment in our Equity Shares.*

*The risks described in this section are those that we consider to be the most significant and material to our business, financial condition, results of operations, and cash flows as of the date of this Draft Letter of Offer. We have described the risks and uncertainties that we currently believe to be material, but the risks set out in this section may not be exhaustive, and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, occur, our business, financial condition, and results of operations could suffer, and the trading price and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial, and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.*

*In making an investment decision, prospective investors must rely on their own examinations of us and the terms of the Offer, including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the consequences they could encounter in investing in the Equity Shares.*

*This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer.*

*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’, and ‘our’ refers to our Company.*

#### INTERNAL RISK FACTORS

- 1. The Company had been inoperative until previous financial years and has started generating revenue only through investment activities routing through its various subsidiaries, as a result of which, there are losses in booked and in the near future, we may not be able to achieve profitability.***

The Company had been inoperative until previous financial years and has started generating revenue only through investment activities routing through its various subsidiaries. As per our Restated Standalone Financial Statements, our Company has incurred net losses of ₹(96.21 Lakhs), ₹(2.26 Lakhs), ₹(6.78 Lakhs), for the nine-months ending December 31, 2022, and for the Financial Years ended on March 31, 2022, and 2020, respectively. Further, as per our Restated Consolidated Financial Statements, our Company has incurred net losses of ₹(140.62 Lakhs), and ₹(6.18 Lakhs), for the nine-months ending December 31, 2022, and for the Financial Year ending March 31, 2022, respectively. We expect to continue to incur net losses and we may not achieve profitability in the near future. In addition, to being a listed company, we incur additional significant legal, accounting, and other expenses that will again affect the profitability of our Company. Any failure to increase our net revenue sufficiently to keep pace with our initiatives, investments, and other expenses could prevent us from achieving profitability or positive cash flow on a consistent basis in near future.

Further, some of our subsidiaries and associates have incurred losses for the past few fiscal years. In-order to continue their operations, our Company has financially supported them in the form of debt or equity, and our Company may provide any financial support in the near future. There is no certainty that will be able to raise adequate capital to continue their operations or meet their obligations. If these subsidiaries or associates do not become profitable, and are not able to raise capital either through debt or equity, their operations may be affected.

There can be no assurance that our Company will not incur losses in the future, which may have an adverse effect on our reputation and business. For further details, kindly refer to the section titled ‘**Financial Information**’ on page 124 of this Draft Letter of Offer.

2. ***Our Subsidiaries operate in various facets of industries. Further, since these subsidiaries have been incorporated vide joint venture agreements, pre-mature termination of agreements can have an adverse impact on the financial operations of our Company.***

As on date of this Draft Letter of Offer, our Company is undertaking various business activities through:

- (a) Alan Scott Retail Limited, which was incorporated on December 24, 2021 has established and is operating four stores in Mumbai and North India.
- (b) Alan Scott Health & Hygiene Limited, was incorporated on March 17, 2022. The Company has been developing air purification solutions and is engaged in discussion with several hospitals, where the Company's air solutions are accepted as a counter against hospital acquired infection, which is a major issue being faced by the hospitals across the geography. The Company is in negotiation for air purifiers to be installed in hospitals and offices with huge staff. Air purifiers range being offered by the Company are innovative and revolutionary products that not only purifies the air but also kills the viruses.
- (c) Alan Scott Nanoveu India Limited, was incorporated on June 18, 2022, with an aim to market and distribute the innovative products developed by its Australian partner.

For further details, kindly refer to the section titled '**Business Overview**' on page 104 of this Draft Letter of Offer.

Due to our operations in diversified field of industry, we are exposed to various risks and opportunities in each of these particular industries. We cannot assure you that our operations will not be affected due to an impact or effect of various internal and external factors in our industry. If we suffer a disruption in our operations, it could also have an adverse effect on our business, results of operations, financial condition and cash flows.

3. ***In the Financial Year ended on March 31, 2020, an open offer had been triggered by our current Promoter, due to execution of a share purchase agreement and change in control and management of our Company.***

On December 20, 2019, a share purchase agreement had been executed between Soketu Parikh, Concord Capitals Private Limited (erstwhile promoters of our Company) with current Promoter, Suresh Kumar Jain, for acquisition of equity shares and change in control and management of our Company. Due to the said share purchase agreement, an open offer had been triggered during the Financial Year 2019-2020, in accordance and compliance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Post-completion of the said open offer, the Promoter took over the management of the Company and through his and the newly appointed Board's expertise strived and is striving to take the Company on the path of revival. The Company's new management is making all out efforts to enter into the business of manufacturing and distribution of various health and hygiene products and retail business. Therefore, our success is largely dependent on our management team which ensures the implementation of our strategy. If one or more members of our key management team were unable or unwilling to continue in their present positions, such persons would be difficult to replace and our business, results of operations, financial condition, cash flows and prospects could be adversely affected.

4. ***Our Company has had explored various business opportunity in the Financial Years prior to 2020. As a result of which the financial disclosures in the Restated Financial Statements shall not give a true and fair view of the current operations of our business.***

On incorporation, the Company was engaged in manufacturing of designer socks. Our Company had been selected by the Business Initiative Directions, Madrid, Spain, for the International Platinum Star Award for Quality Commitment in the year 1998. During the said period, our Company was one of the first few companies to introduce the state-of-the-art manufacturing facilities in India. Our Company had also endeavoured and launched its own brand 'ALAN SCOTT' and was in the business of supplying socks to various brands during the period 1994 to 2002. However, in the month of November 2002 the manufacturing facilities of the Company was completely destroyed in fire. In-order to revive the business from the said loss, our Company entered into a joint venture with Delta Galil Limited. But to add up to the crisis, the relations with the joint venture partner became sour and the joint venture was terminated in the year 2006. Due to non-compete clause in the said joint venture, our Company had to suspend the manufacturing of sock, which was the core competence of the Company. After the said termination, our Company tried to enter into film distribution and entertainment business. However, it could not get through remarkably.

In the year 2020, the erstwhile promoters sold off their stake to our current Promoter, who post-completion of the aforesaid open offer, took over the management of the Company, and through his and the newly appointed Board's expertise strived and is striving to take the Company on the path of revival. As on date of this Draft Letter of Offer, on BSE's website the industry of our Company is displayed as 'Film Production, Distribution & Exhibition', and no application for rectifying and updating the same has been made by our Company. Accordingly, investors should read the section titled as '**Business Overview**' on page 104 of this Draft Letter of Offer.

**5. Any decline in the value of investments of our Company, present and future, could have a material adverse effect on our business, results of operations, financial condition and cash flows.**

Our Company has been pre-dominantly operating through its Subsidiaries, namely being, Alan Scott Retail Limited, Alan Scott Health & Hygiene Limited, and Alan Scott Nanoveu India Limited, in varied industries. In pursuance of joint venture agreements, the aforesaid Subsidiaries have been incorporated, the specific details of which are enumerated as hereunder:

Name of the Subsidiary	Date of Incorporation	Partnered up with	Investment in the number of equity shares of the said Subsidiary by our Company	Percentage of Equity Shares in the said Subsidiary by our Company	Price per Equity Share	Total Consideration (₹ in Lakhs)
Alan Scott Retail Limited	December 24, 2021	Vasibala Ventures Private Limited for the operations of the retail stores	84,990	84.99%	₹10.00/-	₹8.50/-
Alan Scott Health & Hygiene Limited	March 17, 2022	--	80,000	80.00%	₹10.00/-	₹8.00/-
Alan Scott Nanoveu India Limited	June 18, 2022	Nanoveu Limited	69,000	69.00%	₹10.00/-	₹6.90/-

If the aforesaid Subsidiaries or any other entity whose securities we may invest in in the future does not perform adequately or if there is any material adverse impact on their business, results of operations, financial condition or cash flows, we may not derive optimal returns on such investments, or the return on such investments may be lower or may have to be impaired / written off, which may have an adverse impact on our business, results of operations, financial condition or cash flows. For further details, kindly refer to the section titled '**Business Overview**' page 104 of this Draft Letter of Offer.

In addition, any regulatory non-compliance by the lessor or us or adverse development relating to the lessors' title or ownership rights to such properties, may entail significant disruptions to our operations, especially if we are forced to vacate the leased spaces following such developments. If our sales do not increase in line with our rent and costs, including setup and interior design costs, our profitability, business, results of operations, financial condition and cash flows could be adversely affected.



6. ***The Registered Office of our Company and our Subsidiaries, and various other operations of our Subsidiaries are located/ carried on land parcels that are not owned by us and are held by us on a leasehold/ rental basis. In the event we lose or are unable to renew such leasehold rights, our business, results of operations, financial condition and cash flows may be adversely affected.***

As of the date of this Draft Letter of Offer, our Registered Office of our Company and our Subsidiaries is held on a leasehold basis. Set out in the table below are details of the address of our Registered Office, as well as our other properties of our Subsidiaries taken on lease:

Sr. No.	Particulars of Property	Address	Lessee	Lessor	Rental (₹ in Lakhs)	Validity of Agreement
1.	Registered Office of our Company and our Subsidiaries	Unit no.302, Kumar Plaza, 3rd Floor, Near Kalina Masjid, Kalina Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India	Alan Scott Industriess Limited	Jain Business Services	₹0.50 Lakhs plus GST	24 months beginning September 01, 2021, until August 31, 2023
2.	Retail Store 1	First Floor Pacific Mall, SH/1F/11, Village Mauza Jakhan, Rajpur Road Opp. Scholars Home School, Dehradun – 248001, Uttarakhand, India	Alan Scott Retail Limited	Pacific Development Corporation Limited	₹5.12	60 months beginning March 01, 2022, until Feb 28, 2027
3.	Retail Store 2	SCF No.41 Block-B, High Street, VIP Road, Bishanpura, Zirakpur, SAS Nagar – 140603, Punjab, India	Alan Scott Retail Limited	a) Ashok Kumar Bhateja b) Aashish Bhateja	₹0.65	108 months beginning April 15, 2022, until April 14, 2031
4.	Retail Store 3	SCO NO-6, Bhupindra Road, Patiala – 147001, Punjab, India	Alan Scott Retail Limited	1) Paramjit Kumar Shood and Rupali Shood 2) Rahul Shood 3) Aakash Shood	₹1.35	72 months beginning July 15, 2022, until July 14, 2028
5.	Retails Store 4	241 Second Floor, Infiniti Mall CTS No. 1406a/3/9, Link Road, C.T.S. No.1406, A/3/9 Off Link Road, Mala, Malad (West), Mumbai – 400064, Maharashtra, India	Alan Scott Retail Limited	Unique Estates Development Company Limited	₹5.46	58 months beginning Nov 1st, 2022, until Aug 31st, 2027

We cannot assure you that we will be able to renew our leases on commercially acceptable terms, or at all. In the event that we are required to vacate the aforesaid leased premises, we would be required to make alternative arrangements and we cannot assure that the new arrangements will be on commercially acceptable terms. Further, since the registered office of not only our Company, but also of our Subsidiaries is located in the same premises, any negative set-back could materially adversely affect our business, results of operations, financial condition, cash flows and prospects. If we are required to relocate our business operations, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

7. ***Insurance policies have been covered and insured by one of our subsidiary, i.e., namely being Alan Scott Retail Ltd. Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

Insurance policies have been covered and insured by one of our subsidiary, i.e., namely being Alan Scott Retail Ltd, our Company has not availed any insurance coverage. The insured furniture, stocks, etc, are shared by our Company and our Subsidiaries at their registered office located at Unit no.302, Kumar Plaza, 3rd Floor, Near Kalina Masjid, Kalina Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India. We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event, we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

8. ***Our Company has provided personal guarantee for loan facilities obtained by our Subsidiaries, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations, which may affect the ability of our Company and Promoters to effectively render their duties and thereby, adversely impact our business and operations.***

Our Subsidiaries have availed loans and facilities in the ordinary course of its business. Our Company has given personal guarantee to secure a significant portion of the existing borrowings taken from the banks and may continue to provide such guarantees and other security. As of December 31, 2022, principal outstanding amounts from credit facilities guaranteed by them were ₹16.70 Lakhs (Rupees Sixteen Lakhs Seventy Thousand Only). Our Company, Promoters, and Directors may continue to provide such guarantees and other such securities. In case of a default under the loan agreements, any of the guarantees provided by our Company may be invoked, which in turn, could have an impact on their ability to effectively service their obligations as Promoters and Directors of our Company in addition to negatively impacting their reputation and net worth and adversely affecting our business, results of operations and financial condition. Further, our Company may be required to liquidate their assets of our Company to settle the claims of the lenders. In the event our Company withdraw or terminate their guarantees, our lenders may require alternate guarantees, repayments of amounts outstanding or even terminate the loan facilities. We may not be successful in providing alternate guarantees satisfactory to the lenders, and as a result may be required to repay outstanding amounts or seek additional sources of capital, which could affect our financial condition and cash flows.

9. ***We are highly dependent on our Promoter and our management team and key personnel and the loss of any key team member may adversely affect our business performance.***

Our Promoter, management team, and key personnel have been instrumental in the growth and development of our Company. Our management team comprises our Managing Director, Suresh Pukhraj Jain, our Executive Director Manoj Iyer, and our Chief Financial Officer, Ms. Sushma P.N.. In particular, the active involvement of our management team and key personnel in our operations, including through strategy, direction, and relationships have been integral to our development and business. The loss of any of these persons would have a material adverse effect on our operations.

Our businesses are dependent upon a core and senior management team which oversees the day-to-day operations, strategy and growth of our business. Our success is largely dependent on our management team which ensures the implementation of our strategy. If one or more members of our key management team were unable or unwilling to continue in their present positions, such persons would be difficult to replace and our business, results of operations, financial condition, cash flows and prospects could be adversely affected. Our future success, amongst other factors, will depend on our ability to continue to attract and retain qualified personnel, particularly persons with critical expertise, know-how and skills that are capable of helping us to strategize, and develop our business and various business vertical products. Our failure to successfully manage our personnel needs could materially and adversely affect our business, results of operations, financial condition and cash flows. Moreover, if any of our key professional employees were to join an existing competitor or form a competing company or otherwise leave, it could lead to setbacks in the implementation of our plans and strategy. Our failure to successfully manage our employees' needs could materially adversely affect our business,

results of operations, financial condition, cash flows and prospects. If we are not able to address these risks, our business, results of operations, financial condition and cash flows could be adversely affected.

**10. We have experienced negative cash flows in prior years.**

As per our Restated Standalone Financial Statements, our Company has experienced negative cash flow for the nine-months period ending December 31, 2022, and for the Financial Years ended on March 31, 2022, 2021, and 2020, the details of which are specified as under:

(₹ in Lakhs)

Net cash inflow/ (outflow) from	Restated Standalone Audited Financial Statements			
	For the nine-months period ending December 31, 2022	For the Financial Year ended March 31		
		2022	2021	2020
Operating Activities	135.16	(196.76)	18.37	(5.26)
Investing Activities	(444.78)	(60.84)	(21.39)	-
Financial Activities	190.40	176.82	129.50	0.34

Further, as per our Restated Consolidated Financial Statements, our Company has experienced negative cash flow for the nine-months period ending December 31, 2022, and for the Financial Year ending March 31, 2022, respectively, the details of which are specified as under:

(₹ in Lakhs)

Net cash inflow/ (outflow) from	Restated Consolidated Audited Financial Statements	
	For the nine-months period ending December 31, 2022	For the Financial Year ended March 31, 2022
Operating Activities	135.16	(157.73)
Investing Activities	(444.78)	4.60
Financial Activities	190.40	173.39

Any negative cash flows in the future could adversely affect our results of operations and financial condition. For further details, see '*Management's Discussion and Analysis of our Financial Condition and Results of Operations –Cash Flows*'.

**11. Our Company has availed unsecured loans from our Promoters and/or other parties, which may be recalled by them at any time and our Company may not have adequate funds to make timely payments or at all.**

Our Company has availed unsecured loans from our Promoters and other parties. The said borrowings/ facilities availed by us from our Promoters and other parties may be recalled at any time. As of December 31, 2022, the details of outstanding amount in respect of such loans, is tabled as under:.

(₹ in Lakhs)

Name of the Lender	Nature of Borrowing	Drawdown date	Amount sanctioned	Rate of interest	Outstanding amount as on the date of the Draft Letter of Offer	Loan amount to be repaid	Balance of Loan amount to be paid-off
Suncap SS Global Ventures Private Limited	Inter-corporate deposit	Tuesday, September 06, 2022	₹22.50	8.00%	₹22.50	₹22.50	Nil
Suresh Pukhraj Jain	Unsecured Loan	Wednesday, November 09, 2022	₹10.50	Non-interest bearing	₹10.50	₹10.50	Nil
<b>Total</b>					₹33.50	₹33.50	Nil

Such loans may be recalled at any time. In the event that our Promoter and/ or other parties seeks repayment of any such unsecured loan, our Company may need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and adversely affect our business, results of operations, financial condition and cash flows.

**12. *We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.***

As of December 31, 2022, as per our Restated Consolidated Financial Statements our total outstanding borrowings amounted to ₹244.07 Lakhs. Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to manage our business operations and generate sufficient cash flows to service such debt. Any additional indebtedness we incur may have significant consequences, including, without limitation, requiring us to use a significant portion of our cash flow from operations and other available cash to service our indebtedness, thereby reducing the funds available for other purposes, including capital expenditures, acquisitions, and strategic investments; reducing our flexibility in planning for or reacting to changes in our business, competition pressures and market conditions; and limiting our ability to obtain additional financing for working capital, capital expenditures, acquisitions, share repurchases, or other general corporate and other purposes.

Our financing arrangements include conditions that require us to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. We may also require consents from certain third parties, including our lenders under our financing agreements, in order to utilize the Net Proceeds towards the objects of the Issue, including in relation to the object on prepayment or repayment of certain outstanding borrowings availed by our Company, due to which we may also attract prepayment penalties. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Certain of the corporate actions that require prior consents from certain lenders of our Company include, amongst others, entering into a scheme of merger, amalgamation, compromise or reconstruction, declaring dividend, permit any change in the general nature of our business, or any change in the ownership or control of our Company whereby the effective beneficial ownership or control of our Company changes directly or indirectly and making amendments to our constitutional documents. Further, while we have not yet faced any instances of non-compliance of our financing agreements in the past, any failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time.

Some of our borrowings are secured, among others, through a charge by way of hypothecation on our movable property, i.e., motor car. For further details, kindly refer to the section '**Financial Indebtedness**' on page 173 of this Draft Letter of Offer. As these assets are hypothecated our rights in respect of transferring or disposing of these assets are restricted except in the normal course of business. Further, in the event we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. If the lenders choose to enforce security and dispose our assets to recover the amounts due from us, our business, results of operations, financial condition and cash flows may be adversely affected. A failure to observe the covenants under our financing arrangements or to obtain necessary waivers may lead to the termination of our credit facilities, acceleration of amounts due under such facilities, suspension of further access/ withdrawals, either in whole or in part, for the use of the facility and/or restructuring of our debt.

**13. *The properties of one of our subsidiaries i.e., Alan Scott Retail Ltd is on lease***

The retail stores belonging to our subsidiary Alan Scott Retail Ltd is on lease. If in any event there is a delay by the landowners to carry out the maintenance, repair of building's water or electrical, it could result in operations to come to a slow down or if repair works are undertaken by our subsidiary, it would affect its financial results, which will in turn affect the financial results of the Company.

**14. *In the event that our Net Proceeds to be utilised towards growth initiatives are insufficient for the cost of our proposed acquisitions, we may have to seek alternative forms of funding.***

We will from time to time continue to seek attractive opportunities to achieve growth vide investments and proposes to utilise ₹366 Lakhs from the Net Proceeds towards our strategic acquisitions and/or investments which may be undertaken over the course of next Financial Year ending March 31, 2024, as set forth in '**Objects of the**

**Issue**’ on page 54 of this Draft Letter of Offer. Further, for details of interim use of Net Proceeds, see **‘Objects of the Issue**’ on page 54 of this Draft Letter of Offer. The amount of Net Proceeds to be used for each individual investments will be based on our management’s decision and may not be the total value or cost of any such investments but is expected to provide us with sufficient financial leverage to pursue such investments. The actual deployment of funds will also depend on a number of factors, including the timing, nature, size and quantum of investments undertaken, as well as general factors affecting our business, results of operation, financial condition, cash flows and access to capital. These factors will also determine the form of investment for these potential acquisitions, i.e., whether they will be directly done by our Company or whether these will be in the nature of asset or technology acquisitions or joint ventures.

In addition, acquisitions may result in impairment of goodwill and other intangible assets, adversely affecting our business, results of operations, financial condition and cash flows. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses. We may not be able to achieve the strategic purpose of such acquisition or operational integration or our targeted return on investment. Further, for any reason, in the event the benefits we realize are less than our estimates or the acquisitions adversely affect our operations or cost more or take longer to effectuate than we expect, or if our assumptions prove inaccurate, our business, results of operations, financial condition and cash flows may be materially adversely affected.

**15. One of our subsidiaries i.e., Alan Scott Retail Ltd have hired services of a third party.**

Alan Scott Retail Ltd has hired the services of a third party for its operations. The third party may at any time terminate its services which will affect the operations of Alan Scott Retail Ltd. This will ultimately affect the financial results of our company.

**16. We have entered into, and will continue to enter into, related party transactions which may potentially involve conflicts of interest.**

In the ordinary course of our business, we enter into and will continue to enter into transactions with related parties. For details regarding our related party transactions, see **‘Restated Financial Statements – Annexure 23 – Related Party Transactions**’ on page 170 of this Draft Letter of Offer. While we believe that all such related party transactions that we have entered into are conducted on an arms’ length basis in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions and all related party transactions are subject to board or shareholder approval, as necessary under the Companies Act and the SEBI (LODR) Regulations, in the interest of the Company and its minority shareholders and in compliance with the SEBI (LODR) Regulations, we cannot assure you these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Further, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. There can be no assurance that our Directors and executive officers will be able to address such conflicts of interests or others in the future.

The following table highlights the details of our related party transactions as per Ind AS – 24 Related Party Disclosures, read with SEBI (ICDR) Regulations have been derived from the nine-months ended December 31, 2022, and for the Financial Years ended on March 31, 2022, 2021, and 2020, is specified as below:

(₹ in Lakhs)				
Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Transactions during the year with related parties and KMP</b>				
<b>Salary</b>				
Vikal Bankelal Chaurasiya	1.50	3.50	--	--
Rajeev Shankar Godhkindi	1.50	3.70	--	--
Manoj Iyer	9.25	7.09	--	--
	<b>12.25</b>	<b>14.29</b>	<b>--</b>	<b>--</b>
<b>Sales</b>				
Jain Business Services	0.48	0.21	--	--
	<b>0.48</b>	<b>0.21</b>	<b>--</b>	<b>--</b>

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Rent</b>				
Jain Business Services	4.80	3.50	--	--
	<b>4.80</b>	<b>3.50</b>	<b>--</b>	<b>--</b>
<b>Consultancy fees received/ Purchases</b>				
Jain Business Services			1.13	--
Hygienix Techno Services Pvt Ltd		2.14	--	--
		<b>2.14</b>	<b>1.13</b>	<b>--</b>
<b>Investment in Subsidiary</b>				
Alan Scott Retail Ltd	8.49	8.49	--	--
Alan Scott Health and Hygiene Ltd	8.00		--	--
Alan Scott Nanoveu India Ltd	6.90		--	--
	<b>23.40</b>	<b>8.49</b>	<b>--</b>	<b>--</b>
<b>Loan to Subsidiary</b>				
Alan Scott Retail Ltd	116.09	85.90	--	--
Alan Scott Health and Hygiene Ltd	23.35		--	--
Alan Scott Nanoveu India Ltd	1.91		--	--
	<b>141.35</b>	<b>85.90</b>	<b>--</b>	<b>--</b>
<b>Net Unsecured Loan taken</b>				
Saloni Suresh Jain		(4.95)	4.95	
Suresh Jain	10.50			--
Suncap SS Global Ventures P Ltd-Inter Corporate	<b>22.50</b>		--	--
	<b>33.00</b>	<b>(4.95)</b>	<b>4.95</b>	<b>--</b>
<b>23.3 Balances as at the year end</b>				
<b>Unsecured Loans</b>				
Saloni Suresh Jain	--	--	4.95	--
Suresh Jain	10.50	--	--	--
Suncap SS Global Ventures P Ltd-Inter Corporate	22.50	--	--	--
	<b>33.00</b>	<b>--</b>	<b>4.95</b>	<b>--</b>

For details of the Related Party Transactions, as reported in the Restated Financial Statements, please refer to the section titled '**Financial Information**' beginning on page 124 of this Draft Letter of Offer.

**17. Our Directors and Key Managerial Personnel have interests in our Company in addition to their remuneration and reimbursement of expenses.**

The Promoter may be deemed interested in our Company to the extent of any transactions entered, his shareholding, and dividend entitlement in our Company. For further details, please refer to the section titled '**Our Promoters and Promoter Group**' beginning on page 118 of this Draft Letter of Offer.

Our Directors and Key Managerial Personnel may be deemed interested in our Company to the extent of remuneration paid to them for services rendered to our Company and reimbursement of expenses payable to them. Additionally, our Directors and Key Managerial Personnel may be interested in the Equity Shares that may be subscribed by or allotted to them, their relatives, companies, firms, ventures, and trusts in which they are interested as promoters, directors, partners, proprietors, members, or trustees, pursuant to this Offer. For further details, please refer to the section titled '**Our Management**' beginning on page 109 of this Draft Letter of Offer.

**18. Our Promoter will continue to retain significant shareholding in our Company after the Issue, which will allow it to exercise control over us.**

As on date of this Draft Letter of Offer, our Promoter holds 8,47,872 (Eight Lakhs Forty-Seven Thousand Eight Hundred and Seventy-Two) Equity Shares, representing 46.45% (Forty-Six point Four-Five Percent) of the Voting Share Capital of the Company. Further, the Promoter of our Company, through his letter dated Wednesday, February 15, 2023, has confirmed that, he intends to subscribe in part or to full extent of his Right Entitlements in



this Issue and to the extent of the unsubscribed portion (if any) of this Issue and that he shall not renounce his Right Entitlements in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations.

After the completion of the Issue, our Promoter will continue to hold significant percentage of our outstanding Equity Shares. Accordingly, our Promoter will continue to exercise control over our business and all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our charter documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. There can be no assurance that our Promoter will exercise its rights as a shareholder to the benefit and best interests of our Company. The interests of our Promoter, as our Company's significant shareholder and exercising control over our Company, could be different from the interests of our other Shareholders and their influence may result in change of management or control of our Company, even if such a transaction may not be beneficial to our other Shareholders.

**19. *There is a mismatch in the name of our Company on BSE's website.***

Alan Scott Industriess Limited was incorporated on February 22, 1994, under the Companies Act, 1956 in the name and style as Suketu Fashions Limited as a Public Limited company in the State of Maharashtra. The Company obtained the Certificate of Commencement of Business on March 9, 1994, from the Registrar of Companies, Maharashtra, Mumbai. The Company changed its name from Suketu Fashions Limited to Alan Scott Industries Limited and a fresh Certificate Incorporation was issued by the Registrar of Companies on October 24, 1997. The name was again changed to Alan Scott Industriess Limited and a fresh Certificate of Incorporation dated September 9, 2006 was issued by the Registrar of Companies, Maharashtra. The Company made its maiden public issue in August 1994 and got listed on the OTC Stock Exchange of India. However, the name of the Company on BSE's website is wrongly displayed as 'Alan Scott Industries Limited'.

As on date of this Draft Letter of Offer, no application has been made to BSE Limited to rectify the same. Accordingly, investors should read our Company in the name and style of 'Alan Scott Industriess Limited'.

**20. *We have not commissioned an industry report for the disclosures made in the section titled 'Industry Overview' and made disclosures based on the data available on the internet and such third-party 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 section titled '**Industry Overview**' beginning on page 65 of this Draft Letter of Offer. We have made disclosures in the said section based on the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such third-party 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.

**21. *Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as U.S. GAAP and IFRS, which may affect investors' assessments of our Company's financial condition.***

Our Restated Consolidated Summary Statements for Financial Years ended on March 31, 2022, 2021, and 2020, included in this Draft Letter of Offer are derived from our audited consolidated financial statements prepared in accordance with Ind AS or Ind AS 34, as applicable, specified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and restated in accordance with the requirements of Section 26 of Part 1 of Chapter III of the Companies Act, the SEBI ICDR Regulations. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP.

We have not attempted to explain in a qualitative manner the impact of the IFRS or U.S. GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP, which may differ from accounting principles with which prospective investors may be familiar in other countries. Accordingly, the degree to which the financial information included in this Draft Letter of Offer,

which are restated as per the SEBI (ICDR) Regulations, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act, and the SEBI (ICDR) Regulations. Any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI (ICDR) Regulations, on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

## **ISSUE SPECIFIC FACTORS**

**22. *Our Company will not distribute the Offer Documents to certain overseas shareholders who have not provided an address in India for service of documents.***

Our Company will dispatch the Offer Documents to such shareholders who have provided an address in India for the service of documents or who are in jurisdictions where the offer and sale of the Rights Equity Shares permitted under laws of such jurisdictions and in each case who make a request in this regard. The Offer Documents 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 in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act and may subject us to fines or penalties.

**23. *There is no public market for the Rights Equity Shares or Equity Shares outside India.***

After this Issue, there will continue to be no public market for our Equity Shares in the United States or any country other than India. In addition, the holders of the partly paid-up Rights Equity Shares will not be able to trade in these Equity Shares till they are credited to the holders' account as fully paid-up, and thereafter there will also be no public market for the Rights Equity Shares outside of India. We cannot assure you that the face value of the Rights Equity Shares will correspond to the price at which the Rights Equity Shares will trade subsequent to this Issue. This may also affect the liquidity of our Rights Equity Shares and Equity Shares and restrict your ability to sell them.

**24. *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 Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity 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 because of the Issue. Renouncees 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 Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation (the last day for which is [●]), such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

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

The concept of crediting Rights Entitlements into the demat accounts of the Eligible 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 202 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of 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 (namely being [●]) 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 of IEPF authority; or
  - c. The demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or
  - d. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in the physical form on the Record Date the details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
  - e. Credit of the Rights Entitlements returned/reversed/failed; or
  - f. The ownership of the Equity Shares currently under dispute, including any court proceedings.
- 26. *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 Promoter 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 Promoter 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 Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future;

- 27. *Investors shall not have the option to receive Rights Equity 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 Rights Equity Shares shall be made in dematerialised form only. Investors will not have the option of getting the allotment of Equity Shares in physical form.

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

In accordance with the SEBI Circular bearing reference number 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020', the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Equity Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Equity Shareholders are requested to furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least 1 (One) day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 03, 2018 issued by the SEBI, with effect from April 01, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares). For further details, please refer to the section titled '*Terms of the Issue*' on page 202 of this Draft Letter of Offer.

- 29. *Non-receipt of complete Call Money(ies) may have an impact of a consequential shortfall in Net Proceeds.***

The Calls shall be deemed to have been made at the time when the resolution authorizing such calls is passed at the meeting of our Board of Directors. The Calls may be revoked or postponed at the discretion of our Board of Directors, from time to time. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 30 (Thirty) days' notice for the payment of the Calls. Our Board of Directors may, from time to time

at its discretion, extend the time fixed for the payments of the Calls. Our Company, at its sole discretion, may send reminders for the calls as it deems fit, and if it does not receive the Call Money(ies) as per the timelines stipulated, it would forfeit the Application Money. Non-receipt of complete Call Money(ies) and a consequential forfeiture of the Application Money may lead to a shortfall in the Net Proceeds, which may have to be met out of internal accruals and may impact the business and capital expenditure plans. For further details, please refer to the section titled '**Objects of the Issue**' on page 54 of this Draft Letter of Offer.

- 30. *Our ability to pay dividends in the future will depend on our future earnings, cash flows, working capital requirements, capital expenditures and financial condition. Investors of Rights Equity Shares are only entitled to dividend in proportion to the amount paid up and the voting rights (exercisable on a poll by investors) shall also be proportional to such investor's share of the paid-up Equity Share capital of our Company.***

The amount of our future dividend payments, if any, will depend on various factors such as our future earnings, cash flows, financial condition, working capital requirements, capital expenditures and in accordance with applicable laws. We may decide to retain all our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on the Equity Shares. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders. The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or the dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future.

Further, with respect to the present Issue, investors 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 Share capital of our Company.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realised on the sale of listed equity shares on the Stock Exchanges held for more than 12 (Twelve) months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax, on the sale of any Equity Shares held for more than 12 (Twelve) months immediately preceding the date of transfer. Securities Transaction Tax will be levied on the seller and/or the purchaser of the Equity Shares and collected by the domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realised on the sale of listed equity shares held for a period of 12 (Twelve) months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India as well as Securities Transaction Tax.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. 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 a gain upon the sale of the Equity Shares.

No dividend distribution tax is required to be paid 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 for residents as well as non-residents. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident Shareholder for the purposes of deducting tax at source pursuant to any corporate action, including dividends.

Similarly, any business income realised from the transfer of equity shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as Section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-

term capital gains exceed ₹1.00 Lakh (Rupees One Lakh), subject to certain exceptions in case of resident individuals and Hindu Undivided Families.

Further, the Finance Act, 2019 made various amendments in the taxation laws and clarified that, in the absence of a specific provision under an agreement, the buyer will be liable to pay stamp duty in case of sale of securities through the Stock Exchanges, while the transferor will be liable to pay stamp duty in other cases of transfer for consideration through a depository. The stamp duty for transfer of securities other than debentures, on a delivery basis, is specified at 0.015% (Zero Point Zero One Five Percent) and on a non-delivery basis is specified at 0.003% (Zero Point Zero Zero Three Percent) of the consideration amount. These amendments came into effect from July 1, 2020.

32. ***You may not receive the Equity Shares that you subscribe in the Issue until 15 (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 (Fifteen) 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.

33. ***Investment in Rights Equity Shares is exposed to certain risks. From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for an applicable period under the applicable law. Furthermore, the Rights Equity Shares will not be traded with effect from the Call Record Date for the final call fixed for the determination of the Investors liable to pay Call Monies, as determined by our Board of Directors or Rights Issue Committee at its sole discretion, from time to time. The holders of the Rights Equity Shares will not be able to trade in these securities till they are credited to the holders' account as fully paid-up. Furthermore, until the subsistence of Rights Equity Shares, we may not be able to undertake certain forms of equity capital raising.***

The Issue Price is ₹30.00/- (Rupees Thirty Only) per Rights Equity Share. Investors will have to pay ₹10.00/- (Rupees Ten Only) per Rights Equity Shares which constitutes 33.33% (Thirty Three Point Three Three Percent) of the Issue Price on Application and the balance ₹20.00/- (Rupees Twenty Only) per Rights Equity Shares which constitutes 66.67% (Sixty Six Point Six Seven Percent) of the Issue Price on one or more subsequent Call(s), as determined by our Company's Board of Directors at its sole discretion, from time to time. The Rights Equity Shares offered under this Issue will be listed under a separate ISIN. An active market for trading may not develop for the Rights Equity Shares. This may affect the liquidity of the Rights Equity Shares and restrict your ability to sell them.

If our Company does not receive the Call Money from the Rights Equity Shareholders (including the Promoters and members of Promoter Group of our Company) as per the timelines stipulated in the Call notice, unless extended by our Board, the defaulting Rights Equity Shareholders (including the Promoters and members of Promoter Group of our Company) will be liable to pay interest as may be fixed by our Board unless waived or our Company may forfeit the Application Money and any Call Money received for previous Calls made, in accordance with the Companies Act, 2013 and our Company's Articles of Association. For further details, please refer to the section titled '**Terms of the Issue**' on page 202 of this Draft Letter of Offer. 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 Share capital of our Company. If certain investors do not pay the full amount, we may not be able to raise the amount proposed under this Issue.

The ISIN representing partly paid-up Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call-in respect of the partly paid-up Rights Equity Shares, such partly paid-up Rights Equity Shares would be converted into fully paid-up Equity Shares and shall be listed and identified under the existing ISIN 'INE273F01022' for our fully paid-up Equity Shares. Our Company would fix a Call Record Date for the purpose of determining the list of allottees to whom the notice for the final Call would be sent. From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for an applicable period under the applicable law. Further, with effect from the Call Record Date, trading in the partly paid-up Equity Shares for which final Call have been made, would be suspended prior to the Call Record Date, for such period as may be applicable under the rules and regulations. Furthermore, the holders of the partly paid-up Rights Equity Shares will not be able to trade in these shares until they are credited to the

holders' account as fully paid-up Rights Equity Shares. Similarly, for an applicable period, from the Call Record Date for each Call, the trading of the Rights Equity Shares would be suspended under the applicable law.

Further, there is little history of trading of partly paid-up shares in India and therefore there could be less liquidity in this segment, which may cause the price of the Rights Equity Shares to fall and may limit ability of Investors to sell the Rights Equity Shares. There may also be a risk of the Rights Equity Shares not forming part of the index.

Further, until the subsistence of Rights Equity Shares, we cannot undertake further rights issues, further public offers, or bonus issues. In terms of Regulations 62 and 104 of the SEBI (ICDR) Regulations, an issuer making a rights issue or further public offer is required to ensure that all its existing partly paid-up equity shares have either been fully paid-up or have been forfeited. Additionally, a bonus issue will not be permitted under law till the subsistence of partly paid-up equity shares in terms of Regulation 293 of the SEBI (ICDR) Regulations.

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

In terms of the SEBI (ICDR) Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political, or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares.

The Applicants shall not have the right to withdraw their Applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**35. *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 equity 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 equity 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.

**36. *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 applicable laws and regulations and the requirements of the BSE Limited, in principle and final approvals for listing and trading of the Rights Equity Shares issued pursuant to this Issue will not be applied for or granted until after the Rights Equity Shares have been issued and allotted. Approval for listing and trading will require all the relevant documents authorising the issuance of Rights Equity Shares to be submitted. Accordingly, there could be a delay in listing the Rights Equity Shares on the BSE. If there is a delay in obtaining such approvals, we may not be able to credit the Rights Equity Shares allotted to the Investors to their depository participant accounts or assure ownership of such Rights Equity Shares by the Investors in any manner promptly after the Issue Closing Date. In any such event, the ownership of the Investors over Rights Equity Shares allotted to them and their ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure,

please refer to the section titled '*Terms of the Issue*' beginning on page 202Error! Bookmark not defined. of this Draft Letter of Offer.

**37. *No market for the Right Entitlements may develop and the price of the Right Entitlements may be volatile.***

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Equity Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares.

We will not distribute the Issue Materials to overseas Shareholders who have not provided an address in India for service of documents. We will dispatch the Issue Materials to the shareholders who have provided an address in India for service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in 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 lack of clarity under the Companies Act and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdiction where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act and may subject us to fines or penalties.

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

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

**39. *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.

**40. *SEBI operates an index-based market-wide circuit breaker. Any operation of a circuit breaker may adversely affect a shareholder's ability to sell, or the price at which it can sell, our Equity Shares at a particular point in time.***

We are subject to an index-based market-wide circuit breaker generally imposed by SEBI on Indian stock exchanges. This may be triggered by an extremely high degree of volatility in the market activity (among other things). Due to the existence of this circuit breaker, there can be no assurance that shareholders will be able to sell our Equity Shares at their preferred price or at all at any particular point in time.



**41. *Investors in the Rights Equity Shares may not be able to enforce a judgment of a foreign court against us or our management, except by way of a suit in India on such judgment.***

We are a limited liability company incorporated under the laws of India and majority of our directors and all executive officers are residents of India. It may be difficult for the investors to affect service of process upon us or such persons outside India or to enforce judgments obtained in courts outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, Singapore, Hong Kong, and the United Arab Emirates. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908. Judgments or decrees from jurisdictions, which do not have reciprocal recognition with India, cannot be executed in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us or our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within 3 (Three) years of obtaining such final judgment in the same manner as any other suit filed to enforce a civil liability in India. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the final judgment that had been rendered in the non-reciprocating territory, unless such a judgment contravenes principles of public policy in India. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of such a judgment.

#### **EXTERNAL RISK FACTORS**

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows.

**43. *Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.***

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial performance and our ability to obtain financing to fund our growth on favourable terms or at all.

**44. *The occurrence of natural calamities or man-made disasters could have a negative effect on the Indian economy and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, tsunamis, floods, drought, fires, explosions, tornadoes, pandemic disease, and man-made disasters including acts of terrorism and military actions in the past few years. The extent and severity of these natural and man-made disasters determines their effect on the Indian economy. The erratic progress of a monsoon would also adversely affect sowing operations for certain crops. Further prolonged spells of below normal rainfall or other natural calamities in the future could have a negative effect on the Indian economy, adversely affecting our business and the price of our Equity Shares.

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

We are incorporated in India, and all 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
- f. India's various neighbouring countries.
- g. Prevailing regional or global economic conditions; and
- h. 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.

**46. *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 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 a number of 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.

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

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI, or any other government agency can be obtained on any particular terms or at all.

**48. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects, and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax (hereinafter referred to as 'GST') regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure.

Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2021 and the Ministry of Finance has notified the Finance Act, 2020 (hereinafter referred to as '**Finance Act**') on March 27, 2020, pursuant to assent received from the President, and the Finance Act will come into operation with effect from July 1, 2020. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition, and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, a draft of the Personal Data Protection Bill, 2019 (hereinafter referred to as '**Bill**') has been introduced before the Lok Sabha on December 11, 2019, which is currently being referred to a joint parliamentary committee by the Parliament. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

Uncertainty in the applicability, interpretation, or implementation of any amendment to, or change in, governing law, regulation, or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

## SECTION IV – INTRODUCTION

### THE ISSUE

This Issue has been authorized by way of a resolution passed by our Board of Directors on 18<sup>th</sup> day of November, 2022, in pursuance of Section 62 of the Companies Act, 2013.

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in *‘Terms of the Issue’* on page 202 of this Draft Letter of Offer.

Equity Shares outstanding prior to the Issue	18,25,377 Equity Shares;	
Rights Equity Shares offered in the Issue	Up to 18,25,377 Rights Equity Shares;*	
Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	36,50,754 Equity Shares;	
Rights Entitlement	1 (One) Equity Share for every 1 (One) Equity Share held on the Record Date;	
Record Date	[●];	
Face Value per Equity Share	₹10.00/- (Rupees Ten Only) each;	
Issue Price per Equity Share	₹30.00/- (Rupees Thirty Only) including a premium of ₹20.00/- (Rupees Twenty Only) per Rights Equity Share;	
Issue Size	Up to ₹547.61 Lakhs (Rupees Five Crores Forty-Seven Lakhs Sixty-One Thousand Three Hundred Ten Only), assuming full subscription and receipt of all Call Monies with respect to Rights Shares. On Application, Investors will have to pay ₹10.00/- (Rupees Ten Only) per Rights Equity Share, which constitutes 33.33% (Thirty-Three point Three Three Percent) of the Issue Price and the balance ₹20.00/- (Rupees Twenty Only per Rights Share which constitutes 66.67% (Sixty Six point Six Seven Percent) of the Issue Price, will have to be paid, on one or more additional calls as may be decided by the Board/ Committee of the Board from time to time	
Terms of the Issue	Please refer to the section titled ‘ <i>Terms of the Issue</i> ’ beginning on page 202 of this Draft Letter of Offer;	
Use of Issue Proceeds	Please refer to the section titled ‘ <i>Objects of the Issue</i> ’ beginning on page 54 of this Draft Letter of Offer;	
Security Code/ Scrip Details	ISIN	INE273F01022
	BSE Scrip ID	ALANSCOTT
	BSE Scrip Code	539115
	ISIN for Rights Entitlements	[●]

### TERMS OF PAYMENT

Amount payable per Rights Shares	Face Value	Premium	Total
On Application	₹3.50/-	₹6.50/-	₹10.00/-*
On One or more subsequent Call(s) as determined by our Board/ Committee at its sole discretion, from time to time*	₹6.50/-	₹13.50/-	₹20.00/-**
<b>Total</b>	₹10.00/-	₹20.00/-	₹30.00/-

\*Constitutes 33.33% of the Issue Price.

\*\*Constitutes 66.67% of the Issue Price.

**ISSUE SCHEDULE**

<b>Issue Opening Date</b>	[●]
<b>Last date for On Market Renunciation of Rights</b>	[●]
<b>Issue Closing Date</b>	[●]

## GENERAL INFORMATION

Our Company was incorporated on February 22, 1994, as a Public Limited company, in the name and style ‘Seketu Fashions Limited’ under the provisions of the Companies Act, 1956, in the State of Maharashtra, Mumbai. In the year of 1997, the name of our Company was changed to ‘Alan Scott Industries Limited’ and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Maharashtra, Mumbai on October 24, 1997. The Company made a maiden public offer of its Equity Capital in August, 1994. The Equity capital was initially listed on the Over The Counter Stock Exchange in India. In the year of 2006, the name of our Company was again changed to ‘Alan Scott Industries Limited’ and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Mumbai on September 9, 2006. The Capital of the Company was migrated on main board of Bombay Stock Exchange effective from 2015.

### REGISTERED OFFICE

<b>Company</b>	Alan Scott Industries Limited
<b>Registered Office Address</b>	No.302, Kumar Plaza, Near Kalina Masjid, Kalina Kurla Road, Santacruz East, Mumbai- 400029
<b>Contact Details</b>	022-61786000/001
<b>Email-ID</b>	<a href="mailto:alanscottcompliance@gmail.com">alanscottcompliance@gmail.com</a>
<b>Website</b>	<a href="https://thealanscott.com">https://thealanscott.com</a>
<b>Corporate Identification Number</b>	L33100MH1994PLC076732

The Company does not have a separate corporate office. Hence, the registered office and corporate office is one and the same.

### ADDRESS OF THE REGISTRAR OF COMPANIES

#### Registrar of Companies, Maharashtra, Mumbai

100, Everest Building, Netaji Subhash Road, Marine Dr, Mumbai - 400002, Maharashtra, India

### BOARD OF DIRECTORS

Name	Age	Designation	DIN	Address
Suresh Pukhraj Jain	58	Managing Director and Chairperson	00048463	1101, 11 <sup>th</sup> Floor, Savoy Residency, Tagore Road, Santacruz West, Mumbai – 400054, Maharashtra, India
Manoj Iyer	53	Executive Director	08145827	Flat No. 11, Plot No. 143, Jyoti Apartment, Opposite Garodia School, Garodia Nagar, Ghatkopar, Mumbai – 400077, Maharashtra India
Saloni Suresh Jain	33	Director	07361076	1101, 11 <sup>th</sup> Floor, Savoy Residency, Tagore Road, Santacruz West, Mumbai – 400054, Maharashtra, India
Kanti Prasad Jain	81	Independent Director	02894148	‘Bharti’ A-7, Varsha Park, Baner Road, Pune – 411045, Maharashtra, India
Kumar Subramanian	68	Independent Director	06714912	Flat No-A-1202, Sri Sairam Towers, Near Indian Oil Petrol Pump, Hafeezpet, Tirumalagiri, Hyderabad, Miyapur – 500049, Andra Pradesh, India
Gyan Singh Rathore	59	Independent Director	00367067	204 Siddhant, M. G Road, Naupada, Thane (West) – 400602, Maharashtra, India

For further details of our Board of Directors, please refer to the section titled ‘*Our Management*’ beginning on page 109 of this Draft Letter of Offer.

<b>COMPANY SECRETARY AND COMPLIANCE OFFICER</b>	<b>CHIEF FINANCIAL OFFICER</b>
<b>Miss Sneha Shukla</b> <b>Address:</b> No. 302, Kumar Plaza, Near Kalina Masjid, Kalina Kurla Road, Santacruz East, Mumbai – 400029, Maharashtra, India <b>Contact Details:</b> 022-61786000/001 <b>Email-ID:</b> <a href="mailto:alanscottcompliance@gmail.com">alanscottcompliance@gmail.com</a>	<b>Ms. Sushma P.N.</b> <b>Address:</b> No.302, Kumar Plaza, Near Kalina Masjid, Kalina Kurla Road, Santacruz East, Mumbai – 400029, Maharashtra, India <b>Contact Details:</b> 022-61786000/001 <b>Email-ID:</b> <a href="mailto:sushma@thealanscott.com">sushma@thealanscott.com</a>
<b>STATUTORY AUDITORS</b>	<b>ADVISOR TO THE ISSUE</b>
<b>M/s. Pravin Chandak &amp; Associates.</b> <b>Address:</b> 403, 4 <sup>th</sup> floor & 702, 703, 7 <sup>th</sup> floor, New Swapnalok CHS Ltd., Natakvala Lane, Borivali (West), Mumbai 400 092, India. <b>Peer Review Number:</b> 013999 <b>Firm Registration Number:</b> 116627W <b>Contact Person:</b> Mr. Pravin Chandak <b>Membership Number:</b> 049391 <b>Contact Details:</b> 022-28016119 <b>E-mail ID:</b> <a href="mailto:info@pravinca.com">info@pravinca.com</a>	<b>Swaraj Shares and Securities Private Limited</b> <b>Registered Office:</b> 21 Hemant Basu Sarani, 5 <sup>th</sup> Floor. Room No 507, Kolkata - 700001, West Bengal, India <b>Branch Office:</b> Unit No 304, A Wing, 215 Atrium Courtyard Marriot, Andheri East, Mumbai-400093, Maharashtra, India <b>Contact Person:</b> Tanmoy Banerjee/ Pankita Patel <b>Contact Number:</b> +91-22-69649999 <b>E-mail ID:</b> <a href="mailto:tanmoy@swarajshares.com/">tanmoy@swarajshares.com/</a> <a href="mailto:pankita@swarajshares.com">pankita@swarajshares.com</a>
<b>REGISTRAR TO THE COMPANY</b>	<b>REGISTRAR TO THE ISSUE</b>
<b>Link Intime India Pvt. Ltd</b> <b>Address:</b> C 101, 247 Park, L.B.S. MARG, Vikhroli (West) Mumbai-400083 <b>Contact Number:</b> 022-25963838, 25946970 <b>Email Address:</b> <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>	<b>Purva Sharegistry (India) Private Limited</b> Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai – 400011, Maharashtra, India <b>Contact Number:</b> 022-9136993917/ 18 <b>Website:</b> <a href="http://www.purvashare.com">www.purvashare.com</a> <b>Email Address/ Investor Grievance E-Mail Address:</b> <a href="mailto:support@purvashare.com">support@purvashare.com</a> <b>Contact Person:</b> Ms. Deepali Dhuri <b>SEBI Registration Number:</b> INR000001112 <b>Validity:</b> Permanent;
<b>LEGAL ADVISOR TO THE ISSUE</b>	<b>BANKER TO THE ISSUE AND REFUND BANKER</b>
<b>Sushmita Adhikari &amp; Associates</b> <b>Address:</b> 138/17, Anupam Garden, Saket, Delhi-110068, India <b>Contact Number:</b> +91 99905 36363 <b>EmailAddress:</b> <a href="mailto:cssushmitaadhikari2021@gmail.com">cssushmitaadhikari2021@gmail.com</a> <b>Contact Person:</b> Ms. Sushmita Adhikari	[•] [•] <b>Contact Person:</b> [•] <b>E-mail ID:</b> [•] <b>Contact Details:</b> [•] <b>Website:</b> [•] <b>SEBI Registration Number:</b> [•]
<b>BANKERS TO OUR COMPANY</b>	
<b>Punjab National Bank</b> <b>Address:</b> 66, Gurudarshan, NS Road No 1, JVPD Scheme, Mumbai – 400056, Maharashtra, India <b>Contact Details:</b> +91-22-2619-1489 <b>Website:</b> <a href="http://www.pnbindia.in">www.pnbindia.in</a>	<b>ICICI Bank Limited</b> <b>Address:</b> Plot No. 45/C, Pattathu House, KalinaKurla Road, Kalina, Santacruz (East), Mumbai - 400029, Maharashtra, India <b>Contact Details:</b> +91-77009-39028 <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a>

## INVESTOR GRIEVANCES

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs, 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 Issue 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*’ beginning on page 202 of this Draft Letter of Offer.



## EXPERT TO THE ISSUE

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

1. Our Company has received a written consent dated November 22, 2022, from its Statutory Auditor, M/s Pravin Chandak & Associates., Chartered Accountants, holding a valid peer review certificate from ICAI bearing no. 013999, to include their name as required under Section 26(5) of the Companies Act in this Letter of Offer as an 'expert', as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as statutory auditor of our Company and in respect of their reports on the Audited Consolidated Financial Statements, Unaudited Consolidated Financial Statements, and the statement of special tax benefits.

## SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

## ISSUE SCHEDULE

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

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

*Note:*

*#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 Renouncees on or prior to the Issue Closing Date;*

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

*The above schedule is indicative and does not constitute any obligation on our Company.*

Please note that 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 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 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 Issue Closing Date, due to prevailing COVID-19 related conditions. For details on submitting Application Forms, please refer to the section titled '**Terms of the Issue**' beginning on page 202 of this Draft Letter of Offer. Please note that if no Application is made by the Eligible Equity Shareholders and Eligible Employees 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 amount paid to acquire the Rights

Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Rights Shares offered under Rights Issue for subscribing to the Rights Shares offered under Issue. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders and Eligible Employees on the website of the Registrar at [www.purvashare.com](http://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 Equity Shareholders' under the section titled '*Terms of the Issue*' beginning on page 202 of this Draft Letter of Offer.

## **STATEMENT OF RESPONSIBILITIES**

Not Applicable.

## **REGISTERED BROKERS**

In accordance with SEBI circulars bearing reference numbers CIR/CFD/14/2012 dated October 04, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centers, CDPs at Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone numbers, are available at the websites of the BSE accessible at [www.bseindia.com](http://www.bseindia.com) respectively, as updated from time to time.

## **REGISTRAR AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of BSE Limited at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6>, as updated from time to time.

## **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of BSE Limited.

## **CREDIT RATING**

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

## **DEBENTURE TRUSTEE**

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

## **MONITORING AGENCY**

Since the Issue size does not exceed ₹100,00,00,000 (Rupees One Hundred Crores), there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI (ICDR) Regulation.

## **APPRAISING ENTITY**

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

## **UNDERWRITING**

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

## **CHANGES IN THE AUDITORS DURING THE LAST 3 (THREE) FINANCIAL YEARS**

There has been no change in our Statutory Auditors during the 3 (Three) Financial Years immediately preceding the date of this Draft Letter of Offer.

**FILING**

This Draft Letter of Offer is being filed with BSE Limited as per the provisions of the SEBI (ICDR) Regulations. Further, our Company will simultaneously submit this Draft Letter of Offer to SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in accordance SEBI circular bearing reference number 'SEBI/HO/CFD/DIL1/CIR/P/2018/011' dated January 19, 2018, issued by the SEBI. Further, in light of the SEBI notification dated March 27, 2020, our Company will submit a copy of this Letter of Offer to the e-mail address at [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in).

**MINIMUM SUBSCRIPTION**

The objects of the Issue involve investments in subsidiary companies and general corporate purposes, hence the minimum subscription of 90.00% (Ninety percent) of the Issue Size, is applicable. Further, the Promoter has undertaken that, he shall subscribe to the full extent of his Rights Entitlements and that he shall not renounce his Rights Entitlements subject to the aggregate shareholding of our Promoter and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI (LODR) Regulations.

## CAPITAL STRUCTURE

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

Particulars	Aggregate Nominal Value (₹in Lakhs)	Aggregate Value at Issue Price (₹in Lakhs)
<b>Authorized Equity Share capital</b>		
50,00,000 (Fifty Lakh) Equity Shares*	₹500.00	-
<b>Issued, subscribed and paid-up Equity Share capital before this Issue</b>		
18,25,377 (Eighteen Lakhs Twenty-Five Thousand Three Hundred and Seventy-Seven) Equity Shares	₹182.54	-
<b>Present Issue in terms of this Draft Letter of Offer<sup>(a) (b)</sup></b>		
18,25,377 (Eighteen Lakhs Twenty-Five Thousand Three Hundred and Seventy-Seven) Issue of Rights Equity Shares, each at a premium of ₹20.00/- (Rupees Twenty Only) per Rights Equity Share, at an Issue Price of ₹30.00/- (Rupees Thirty Only) per Rights Equity Share	₹182.54	₹547.61
<b>Issued, subscribed and paid-up Equity Share capital after the Issue<sup>1</sup></b>		
36,50,754 (Thirty Six Lakhs Fifty Thousand Seven Hundred and Fifty Four) Equity Shares	₹365.08/-	
<b>Securities premium account</b>		
Before the Issue <sup>(d)</sup>	₹171.00/-	
After Rights Issue	₹365.08/-	
After all Calls made in respect of Rights Shares <sup>(e)</sup>	₹536.08/-	

Notes:

- (a) The present Issue has been authorized by the Board of Directors of the Company by a resolution passed in its meeting held on Friday, November 18, 2022;
- (b) On Application, Investors will have to pay ₹10.00 (Rupees Ten Only) per Rights Equity Share, which constitutes 33.33% (Thirty-Three point Three Three Percent) of the Issue Price and the balance ₹20.00/- (Rupees Twenty Only) per Rights Equity Share, which constitutes 66.67% (Sixty Six point Six Seven Percent) of the Issue Price, will have to be paid, in one or more calls as may be decided by the Board/ Committee of the Board from time to time.
- (c) Assuming full subscription and receipt of all call monies with respect to Rights Shares;
- (d) As per Restated Consolidated Financial Statements for the Nine-months ending December 31, 2022;
- (e) Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;
- (f) Assuming full payment of all Call Monies by holders of Rights Shares.

## NOTES TO THE CAPITAL STRUCTURE

### 1. History of the Share Capital of the Company

(a) The following is the history of the Equity Share capital of our Company:

Date of allotment	Number of Equity Shares	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/ Nature for allotment	Cumulative number of Equity Shares	Cumulative paid-up equity share capital (₹ in Lakhs)
February 22, 1994	70	10	10	Cash	Initial Allotment to the subscribers to the MOA	70	0.70
Allotment made before August 1994	7,20,930	10	10	Cash	Further Allotment	7,21,000	72.10
August, 1994	25,42,700	10	10	Cash	Initial Public Offer	32,63,700	326.37
July 20, 2017	6,85,377	10	NA	NA	Reduction of Share capital	6,85,377	68.54
March 26, 2021	5,00,000	10	10	Cash	Preferential Issue	11,85,377	118.54
August 28, 2021	6,40,000	10	25	Cash	Preferential Issue	18,25,377	182.54

- The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer.
- 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.
- As on the date of this Draft Letter of Offer, our Company has not issued any special voting Rights Shares and there are no outstanding Equity Shares having special voting rights.
- 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 ₹39.92 (Rupees Thirty-Nine and Nine Two Paise Only).
- Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares**

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

### 8. Details of stock option scheme of our Company

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

9. **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 Draft Letter of Offer, 6,25,000 (Six Lakhs Twenty-Five Thousand) Equity Shares representing 34.24% of the Voting Share Capital held by the Promoter is locked-in, pledged and encumbered.

Date of Purchase	Nature of Transaction	Number of Equity Shares purchased and locked-in	Percentage of Equity Shareholding	Lock-in Period	
				Date of Lock-In	Lock-in up to
March 26, 2021	Preferential Issue	2,75,000	15.07%	July 16, 2021	May 31, 2024
August 28, 2021	Preferential Issue	3,50,000	19.17%	September 24, 2021	October 31, 2024
<b>Total</b>		<b>6,25,000</b>	<b>34.24%</b>		

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

The Promoter and Promoter Group of the Company have not acquired any Equity Shares in the last one year prior to the filing of this Draft Letter of Offer.

11. **Intention and participation by the promoter and promoter group**

The Promoter of our Company, through his letter dated Wednesday, February 15, 2023, has confirmed that, he intends to subscribe in part or to full extent of his Right Entitlements in this Issue and to the extent of the unsubscribed portion (if any) of this Issue and that he shall not renounce his Right Entitlements in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations.

The Promoter has confirmed that he intends to apply for and subscribe to the additional Rights Equity Shares and any Rights Equity Shares offered in the Issue that remains unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under and subject to compliance with the provisions of the Companies Act, the SCRR, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, and SEBI (SAST) Regulations.

Any such subscription for Rights Equity Shares over and above the Rights Entitlement of the Promoter may result in an increase in his shareholding percentage in the Company. The allotment of Rights Equity Shares of the Company subscribed by the Promoter 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. This 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.

In case this Issue remains unsubscribed, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

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.

12. **Shareholding Pattern of our Company as per the last filing made with BSE Limited in compliance with the provisions of SEBI (LODR) Regulations**

The shareholding pattern of our Company as on December 31, 2022, i.e., per the last filing with BSE Limited in compliance with the provisions of SEBI (LODR) Regulations, which can be accessed on its website is specifically mentioned as follows:

Particulars of Statement showing shareholding pattern of	URL of BSE Limited's Website
The Company	<a href="https://www.bseindia.com/stock-share-price/alan-scott-industries-ltd/alan-scott/539115/shareholding-pattern/">https://www.bseindia.com/stock-share-price/alan-scott-industries-ltd/alan-scott/539115/shareholding-pattern/</a>
The Promoter and Promoter Group	<a href="https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=539115&amp;qtrid=115.00&amp;QtrName=September%202022">https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=539115&amp;qtrid=115.00&amp;QtrName=September%202022</a>
The Public shareholder	<a href="https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=539115&amp;qtrid=115.00&amp;QtrName=September%202022">https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=539115&amp;qtrid=115.00&amp;QtrName=September%202022</a>
The Non-Promoter – Non Public shareholder	<a href="https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=539115&amp;qtrid=115.00&amp;QtrName=September%202022">https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=539115&amp;qtrid=115.00&amp;QtrName=September%202022</a>
Disclosure by Trading Members (TM) holding 1.00% (One Percent) or more of the Total number of Equity Shares	<a href="https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=539115&amp;qtrid=115.00&amp;CompName=Alan%20Scott%20Industries%20Ltd&amp;QtrName=September%202022&amp;Type=TM">https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=539115&amp;qtrid=115.00&amp;CompName=Alan%20Scott%20Industries%20Ltd&amp;QtrName=September%202022&amp;Type=TM</a>

Details of Public shareholders holding more than 1.00% of the pre-Issue paid up capital of our Company as on date of this Draft Letter of Offer:

Category of shareholder	No. of shareholders	No. of fully paid-up Equity Shares held	Total no. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
IL and FS Financial Services Limited	1	31,353	31,353	1.72%	31,353	1.72%	31,353
Sujith Immanuel George	1	30,000	30,000	1.64%	30,000	1.64%	30,000
Vivek Gupta	1	29,081	29,081	1.59%	29,081	1.59%	29,081
Mahesh Gupta	1	24,000	24,000	1.31%	24,000	1.31%	24,000
Sulabh Thomas Sainu	1	20,807	20,807	1.14%	20,807	1.14%	20,807
Vinod Kumar Madhok	1	18,627	18,627	1.02%	18,627	1.02%	18,627
Gaurav Tripathi	1	18,412	18,412	1.01%	18,412	1.01%	18,412
<b>Total</b>	<b>7</b>	<b>1,72,280</b>	<b>1,72,280</b>	<b>9.44%</b>	<b>1,72,280</b>	<b>9.44%</b>	<b>1,72,280</b>



## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Company proposes to utilize the net proceeds from the issue towards funding the following objects:

1. Repayment/ prepayment, in part or full, of certain of our borrowings;
2. Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Retail Limited;
3. Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Nanoveu India Limited;
4. General Corporate Purpose;

The main object clause of the Memorandum of Association of our Company enables 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.

### ISSUE PROCEEDS

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

Particulars	Amount (₹ in Lakhs)
Gross Proceeds from the Issue#	₹547.61
Less: Estimated Issue related Expenses	(₹23.00)
<b>Net Proceeds from the Issue</b>	<b>₹524.61</b>

*Notes:*

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

*The amount utilized towards general corporate purposes shall not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds.*

*#Rounded off to two decimal places.*

### REQUIREMENT OF FUNDS AND UTILISATION OF NET PROCEEDS

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

Sr. No.	Particulars	Amount (₹ in Lakhs)
1.	Repayment/ prepayment, in part or full, of certain of our borrowings	₹33.00
2.	Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Retail Limited	₹271.00
3.	Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Nanoveu India Limited	₹95.00
4.	General Corporate Purposes#	₹125.61
<b>Total Net Proceeds@</b>		<b>₹524.61</b>

*# 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 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.

## SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

Particulars	Amount to be funded from Net Proceeds	(₹ in Lakhs)	
		Estimated Deployment of the Net Proceeds in the Financial Year ending March 31,	
		2024	2025
Repayment/ prepayment, in part or full, of certain of our borrowings	₹33.00	₹33.00	
Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Retail Limited	₹271.00	₹203.25	₹67.75
Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Nanoveu India Limited	₹95.00	₹95.00	
General Corporate Purposes <sup>#</sup>	₹125.61	₹125.61	
<b>Total</b>	<b>₹524.61</b>	<b>₹456.86</b>	<b>₹67.75</b>

<sup>#</sup> 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 fund requirement for General Corporate Purpose);

## 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 through verifiable means towards at least 75.00% (Seventy-Five Percent) of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and management estimates, and other commercial factors. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution.

This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the fund requirements described herein. Further, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management and may require changes in making one or more additional calls in the future, as may be decided by the Board/ Committee of the Board from time to time, with respect to the Rights Shares for the balance ₹20.00/- per Rights Share which constitutes 66.67% of the Issue Price. If additional funds are required for the purposes mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them.

## DETAILS OF THE OBJECTS OF THE ISSUE

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

Our Company has agreed to use the issue Proceeds, the details of which are specified as under:

Sr. No.	Particulars	Amount (₹ in Lakhs)
1.	Repayment/ prepayment, in part or full, of certain of our borrowings	₹33.00
2.	Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Retail Limited	₹271.00
3.	Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Nanoveu India Limited	₹95.00
4.	General Corporate Purposes <sup>#</sup>	₹125.61
<b>Total Net Proceeds<sup>@</sup></b>		<b>₹524.61</b>

<sup>#</sup> 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 fund requirement for General Corporate Purpose);

### 1. Repayment/ prepayment, in part or full, of certain of our borrowings

Our Company has entered into various financial arrangements with the Promoter/ banks, financial institutions, and other entities. As per the financial statements for the nine-months ending December 31, 2022, and for the Financial Year ended on March 31, 2022, our total borrowings amounted to ₹244.07 Lakhs (Rupees Two Hundred and Forty Four Lakhs Only) and ₹12.98 Lakhs (Rupees Twelve Lakhs Ninety Eight Thousand Only), respectively out of which the said unsecured loan stood at ₹92.00 Lakhs (Rupees Ninety-Two Lakhs Only). Our Company is proposing to utilize an amount of ₹33.00 Lakhs (Rupees Thirty Three Lakhs Only) towards full or partial repayment or prepayment of certain borrowings availed by our Company. Our Company may avail further loans and/or draw down further funds under existing loans from time to time.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness, improve our debt-to-equity ratio and enable utilization of our accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business. The loan facilities are listed below in no particular order of priority.

The following table provides the details of borrowings availed by our Company and outstanding amounts from our Promoters, which we have identified to repay or prepay, in full or in part, from the Net Proceeds and have been certified by our Statutory Auditors pursuant to their certificate dated Wednesday, January 11, 2023:

(₹ in lakhs)							
Name of the Lender	Nature of Borrowing	Drawdown date	Amount sanctioned	Rate of interest	Outstanding amount as on the date of the Draft Letter of Offer	Loan amount to be repaid	Balance of Loan amount to be paid-off
Suncap SS Global Ventures Private Limited	Inter-corporate deposit	Tuesday, September 06, 2022	₹22.50	8.00%	₹22.50	₹22.50	Nil
Suresh Pukhraj Jain	Unsecured Loan	Wednesday, November 09, 2022	₹10.50	Non-interest bearing	₹10.50	₹10.50	Nil
<b>Total</b>					<b>₹33.50</b>	<b>₹33.50</b>	<b>Nil</b>

The selection of borrowings proposed to be repaid/ prepaid out of the borrowings provided above, which has been approved pursuant to a resolution passed by our Board, shall be based on various factors including: (i) cost of the borrowings to our Company, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, prior to completion of the Issue (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Payment of interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the Net Proceeds of the Issue.

If the Net Proceeds are insufficient to the extent required for making payments for such prepayment penalties or premiums, such excessive amount shall be met from our internal accruals. There has been no instance of delays, defaults and rescheduling/restructuring of the aforementioned borrowings of our Company.

For further details kindly refer to the Risk Factor titled as '*Certain unsecured loans have been availed by us which may be recalled by lenders*' on page 19 of this Letter of Offer.

## 2. **Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Retail Limited**

Alan Scott Retail Limited is engaged in the business of Retail, Lifestyle, and Fashion Products – establishing and managing brand specific showrooms for International Consumer Brands. The company's objective is to set out to establish and operate Brand-specific Retail Outlets across India. In this regards, Alan Scott Retail Limited has partnered with Vasibala Ventures Private Limited ('VVPL'), which has immense experience and expertise in Franchisee business model, for spearheading and operating its retail operations across India, and to achieve mutual goals of growth in the Retail space.

As on date of this Draft Letter of Offer, Alan Scott Retail Limited has already set up 4 stores in Dehradun, Zirakpur, Patiala, and Mumbai during the current Financial Year 2023, the details of which are specified as under:

<b>Name of the City</b>	Dehradun
<b>Store Location</b>	Uttarakhand
<b>Leased/ Owner</b>	Alan Scott Retail Limited
<b>Name of the Lessor</b>	Pacific Development Corporation Limited
<b>Name of the Lessee</b>	Alan Scott Retail Limited
<b>Period of Agreement</b>	60 months beginning March 01, 2022, until Feb 28, 2027
<b>Area in Square Feet</b>	1737
<b>Rental per month</b>	₹5.12 Lakhs
<b>For the half-year period ending September 30, 2023</b>	
<b>Turnover (₹ in Lakhs)</b>	158.92
<b>Percentage of Turnover to the Total Revenue</b>	76.94

<b>Name of the City</b>	Zirakpur
<b>Store Location</b>	Punjab
<b>Leased/ Owner</b>	Alan Scott Retail Limited
<b>Name of the Lessor</b>	Ashok Kumar Bhateja and Aashish Bhateja
<b>Name of the Lessee</b>	Alan Scott Retail Limited
<b>Period of Agreement</b>	108 months beginning April 15, 2022, until April 14, 2031
<b>Area in Square Feet</b>	900
<b>Rental per month</b>	₹0.65 Lakhs
<b>For the half-year period ending September 30, 2022</b>	
<b>Turnover (₹ in Lakhs)</b>	28.22
<b>Percentage of Turnover to the Total Revenue</b>	13.66

<b>Name of the City</b>	Patiala
<b>Store Location</b>	Punjab
<b>Leased/ Owner</b>	Alan Scott Retail Limited
<b>Name of the Lessor</b>	Paramjit Kumar Shood and Rupali Shood, Rahul Shood, Aakash Shood
<b>Name of the Lessee</b>	Alan Scott Retail Limited
<b>Period of Agreement</b>	72 months beginning July 15, 2022, until July 14, 2028
<b>Area in Square Feet</b>	900
<b>Rental per month</b>	₹1.35 Lakhs
<b>For the half-year period ending September 30, 2023</b>	
<b>Turnover (₹ in Lakhs)</b>	19.39
<b>Percentage of Turnover to the Total Revenue</b>	9.40

<b>Name of the City</b>	Mumbai
<b>Store Location</b>	241 Second Floor, Infiniti Mall CTS No. 1406a/3/9, Link Road, C.T.S. No.1406, A/3/9 Off Link Road, Mala, Malad (West), Mumbai – 400064, Maharashtra, India
<b>Leased/ Owner</b>	Alan Scott Retail Limited
<b>Name of the Lessor</b>	Unique Estates Development Company Limited
<b>Name of the Lessee</b>	Alan Scott Retail Limited
<b>Period of Agreement</b>	21 months beginning November 11, 2022, until August 31, 2027
<b>Area in Square Feet</b>	Carpet area 1,100 square feet and built-up area 1,815 square feet
<b>Rental per month</b>	₹4.63 Lakhs
<b>For the half-year period ending September 30, 2022</b>	
<b>Turnover (₹ in Lakhs)</b>	Nil
<b>Percentage of Turnover to the Total Revenue</b>	Nil

Alan Scott Retail Limited is planning for expanding its business with a mix of new stores and acquisition of existing profitable stores. The stores are being acquired with a view to bring in various Organisational Synergies. Apart from these stores, Alan Scott Retail Limited has also scouted and is in various stages of discussion for opening further stores, the details of which are specified as under:

Store Location	Store Address	Area per Square Feet	Deposit (₹ in Lakhs)	Capital Expenditure (₹ in Lakhs)	Stock (₹ in Lakhs)	Pre-operative Expenses (₹ in Lakhs)	Total (₹ in Lakhs)
Dehradun	First Floor Pacific Mall, SH/1F/11, Village Mauza Jakhan, Rajpur Road Opp. Scholars Home School, Dehradun – 248001, Uttarakhand, India	1,737 sq. ft.	9.00	41.00	25.00	2.00	77.00
Zirakpur	SCF No.41 Block-B, High Street, VIP Road, Bishanpura, Zirakpur, SAS Nagar – 140603, Punjab, India	900 sq. ft.	15.00	23.50	60.00	2.00	100.50
Patiala	SCO NO-6, Bhupindra Road, Patiala – 147001, Punjab, India	900 sq. ft. built-up area on Upper ground floor	7.00	17.75	38.00	2.00	64.75
Mumbai	241 Second Floor, Infiniti Mall CTS No. 1406a/3/9, Link Road, C.T.S. No.1406, A/3/9 Off Link Road, Mala, Malad (West), Mumbai – 400064, Maharashtra, India	1,815 sq. ft.	6.75	28.00	45.00	2.00	81.75
<b>Total</b>			<b>37.75</b>	<b>110.25</b>	<b>168.00</b>	<b>8.00</b>	<b>324.00</b>

**3. Investment payment of consideration towards acquisition of additional equity shares of one of our subsidiary Alan Scott Nanoveu India Limited**

Alan Scott Nanoveu India Limited, is a joint venture company incorporated between our Company, and Nanoveu Limited, Singapore. The objective of the said company is to manufacture, redistribute Nanoshield range of products from Nanoveu by leveraging Alan Scott's existing networks & B2B Distribution Capabilities.

Our Company is planning to invest in the said joint venture for setting up R&D's, a manufacturing unit in India thereby enabling the transfer of technology for creating path breaking Innovative products under the WISE Domain, (Wellness & Lifestyle, Indoor Air Quality / Indoor Environment Quality, Surface Protectants, Energy Efficiency Solutions).

We propose to utilize ₹95 Lakhs (Rupees Ninety-Five Lakhs) out of the Net Proceeds towards investment in this subsidiary Alan Scott Nanoveu India Limited.

**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 ₹125.61 Lakhs, towards general corporate purposes and the business requirements of our Company as approved by the 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 duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

**5. Expenses for the Issue**

The Issue related expenses consist of fees payable to the Legal Counsel, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Shares on BSE Limited.

Activity	Estimated Expense (₹ in Lakhs)	% of Estimated Issue Size Expenses	% of Estimated Issue Size
Fees of the Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	7.00	30.43%	1.28%
Expenses relating to advertising, printing, distribution, marketing and stationery expenses.	7.40	32.17%	1.35%
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	8.60	37.40%	1.57%
<b>Total estimated Issue expenses*</b>	<b>23.00</b>	<b>100.00%</b>	<b>4.20%</b>

*\* Subject to finalization of Basis of Allotment and actual Allotment.*

As and when our Company makes the calls for the balance monies with respect to the Rights Shares, our Company shall endeavour to utilize the proceeds raised from such calls within the same Financial Year as the receipt of the said call monies, failing which our Company shall utilize the said call monies in the subsequent Financial Years or by the re-payment dates as described in the '*Objects of the Issue*'.

**SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED**

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

**APPRAISAL OF THE OBJECTS**

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

## **STRATEGIC AND/ OR FINANCIAL PARTNERS**

There are no strategic and financial partners to the objects of the issue.

## **BRIDGE FINANCING FACILITIES**

Our Company have not raised or availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue.

## **INTERIM USE OF FUNDS**

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 UTILIZATION OF FUNDS**

Since the proceeds from this Issue are less than ₹10,000.00 Lakhs (Rupees One Hundred Crores), in terms of Regulation 82 of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for this Issue. However, as per SEBI (LODR) Regulation, the Audit Committee would be monitoring the utilization of the proceeds of the Issue. The Company will disclose the utilization of the Issue Proceeds under a separate head in the 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 Financial Statements of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from BSE.

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

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 NSE, 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.

## **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.

## **KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE**

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



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

The Promoter of our Company through his letter dated Wednesday, February 15, 2023, has undertaken to subscribe, in part or in full extent of his Rights Entitlement among themselves subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR.

None of the other members of the Promoter Group and the Directors do not have any interest in the Objects of the Issue.

**OTHER CONFIRMATIONS**

Except disclosed above, there is no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoter, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue. No part of the proceeds from the Issue will be paid by the Company as consideration to our directors, or Key Managerial Personnel. Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

## STATEMENT OF TAX BENEFITS

To,  
The Board of Directors,  
**Alan Scott Industriess Limited**  
Unit no.302, Kumar Plaza, 3<sup>rd</sup> Floor,  
Near Kalina Masjid, Kalina Kurla Road,  
Santacruz (East), Mumbai – 400029,  
Maharashtra, India

Dear Sir/ Ma'am,

**Subject: Statement of possible special tax benefits available for the Proposed rights issue of Equity Shares of Alan Scott Industriess Limited and its Eligible Equity Shareholders under the direct and indirect tax laws**

This certificate is issued in accordance with the terms of our engagement letter dated 22<sup>nd</sup> November 2022.

The preparation of the Statement is the responsibility of the management of the Company for the 'Issue', including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

We have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,' issued by the ICAI.

The Company has requested us to confirm statement attached in the Annexure I and II, are available to the Company and its shareholders.

We refer to the proposed right issue of equity shares of Alan Scott Industriess Limited ('Company'). We enclose herewith the statement showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Indian direct and indirect tax laws including 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 ('GST Act'), applicable for the Financial Year ending March 31, 2022, relevant to the assessment year ending March 31, 2023, presently in force in India ('Tax Laws'). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that these Annexures are only intended to provide information to the investors and are 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 rights issue.

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;
2. The conditions prescribed for availing the benefits have been / would be met with; and
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.

We hereby consent to the extracts of this certificate being used in the Draft Letter of Offer/ Letter of Offer of the Company in connection with the Issue or in any other documents in connection with the Issue, and the submission of this certificate as may be necessary, to any regulatory authority and / or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the Lead Manager may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

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

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

Yours faithfully,

**For Pravin Chandak & Associates**

Chartered Accountants

Firm's registration number: 116627W

Sd/-

**Pravin Chandak**

**Partner**

**Membership number: 049391**

**Place: Mumbai**

**Date: 16<sup>th</sup> February, 2023**

**UDIN: 23049391BGRNAG2257**

## ANNEXURE I

### STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ALAN SCOTT INDUSTRIES LIMITED ('COMPANY') AND ITS SHAREHOLDERS

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

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

There are no special tax benefits available to the Company.

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

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

#### Notes

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership, and disposal of shares;
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law;
3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year ending March 31, 2023;
4. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company;
5. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile;
6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes;

## SECTION VI – ABOUT THE COMPANY

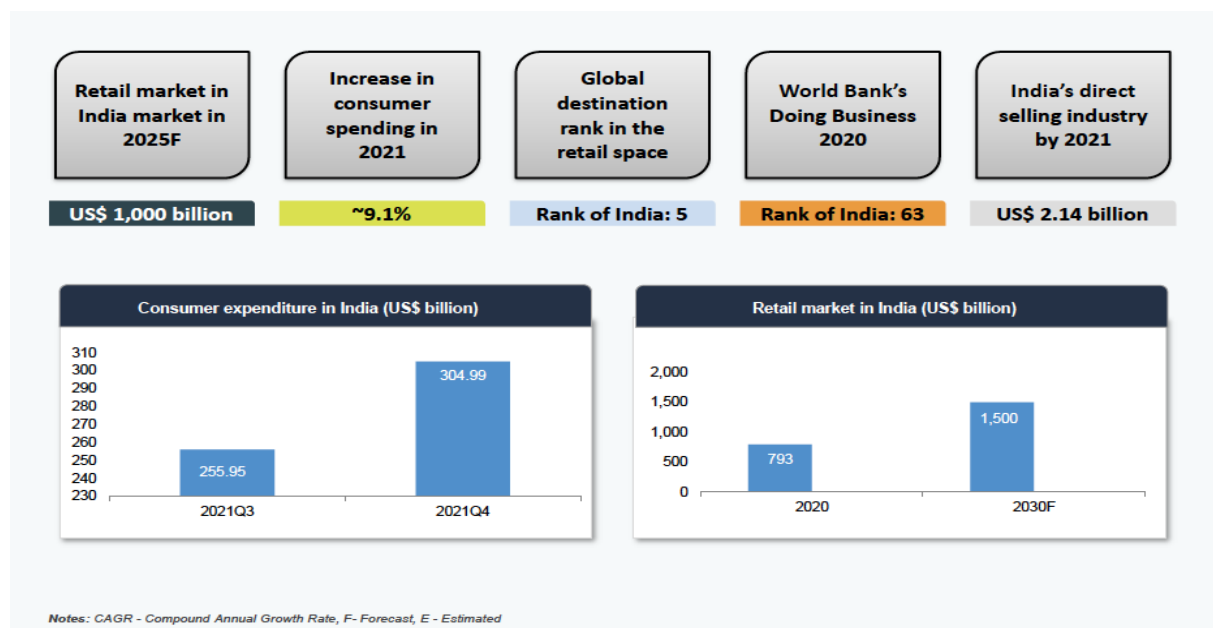
### INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, nor any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Before deciding to invest in the Equity Shares, prospective investors should read this entire Prospectus, including the information in the sections '**Risk Factors**' and '**Restated Financial Information**' on pages 24 and 124 respectively, of this Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section '**Risk Factors**' on page 24 of this Draft Letter of Offer. Accordingly, investment decisions should not be based on such information.

Further, since, our Company had been inoperative until previous financial years, and has started generating revenue only through investment activities routing through its various subsidiaries, the Industry Overview section depicts the industry in which our Subsidiaries operate. For further details kindly refer to the risk factor '**Our Company has had explored various business opportunity in the Financial Years prior to 2020. As a result of which the financial disclosures in the Restated Financial Statements shall not give a true and fair view of the current operations of our business.**', '**Our Subsidiaries operate in various facets of industries.**', and '**The Company had been inoperative until previous financial years, and has started generating revenue only through investment activities routing through its various subsidiaries, as a result of which, there are losses in booked and in the near future, we may not be able to achieve profitability.**' on page 25 of this Draft Letter of Offer.

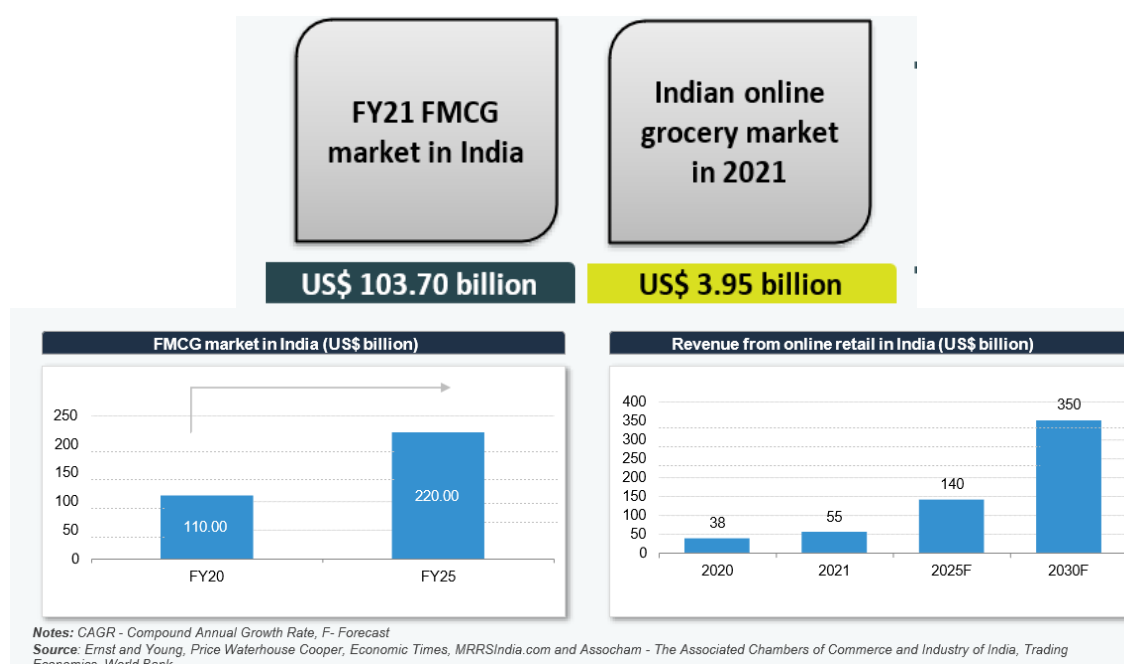
#### RETAIL INDUSTRY

##### Executive Summary



## Executive Summary (1/2)

- FMCG sector is the fourth-largest sector in the Indian economy, with household and personal care accounting for 50% of FMCG sales.
- After an unprecedented decline of 19% in the January-March 2020 quarter, the FMCG industry displayed signs of recovery in the July-September 2020 quarter with a y-o-y growth of 1.6%. The growth witnessed in the fast-moving consumer goods (FMCG) sector was also a reflection of positivity recorded in the overall macroeconomic scenario amid opening of the economy and easing of lockdown restrictions
- Increasing participation from foreign and private players will boost retail infrastructure
- Online retail market in India is projected to reach US\$ 350 billion by 2030 from an estimated US\$ 55 billion in 2021, due to rising online shoppers in the country



## Advantage in India





Robust Demand	Innovation in Financing	Policy Support	Increasing Investment
According to the Retailers Association of India (RAI), the retail industry achieved 96% of pre-COVID-19 sales in September 2021, driven by the rising demand from consumers.  Increasing purchasing power has led to growing demand.	Collective efforts of financial houses and banks with retailers are enabling consumers to go for durable products with easy credit	In April 2022, the government approved PLI scheme for textiles products for enhancing India's manufacturing capabilities and enhancing exports with an approved financial outlay of Rs 10,683 crore (US\$ 1.37 billion) over a five-year period  ~51% FDI in multi-brand retail. 100% FDI in single-brand retail under the automatic route In November 2021, DPIIT* announced that it is working on a regulatory compliance portal to minimize burdensome compliance processes between industries and the government	Foreign Retailers entering the Indian market  India's retail trading sector attracted US\$ 4.11 billion FDI between April 2000-June 2022

*Note: FY - Indian Financial Year (April-March), NMDP - National Maritime Development Programme, FDI - Foreign Direct Investment,*

*DPIIT - Department for Promotion of Industry and Internal Trade*

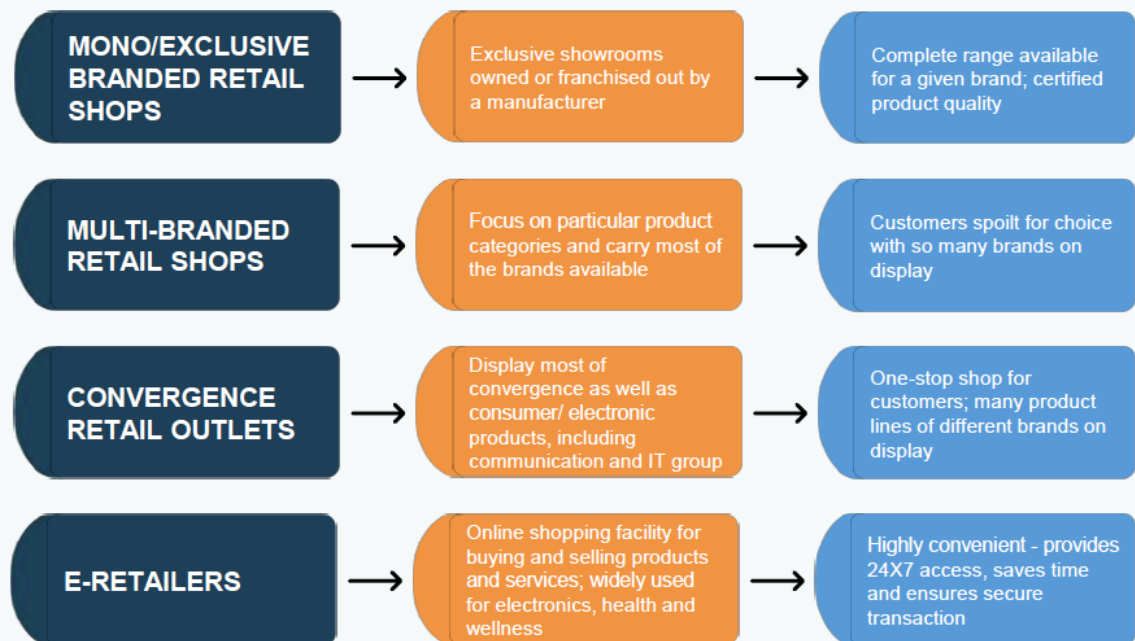
*Source: Report of the Task force on Financing Plan for Ports, Government of India, JLL report, Anarock Retail*

## Evolution of retail in India

Pre 1990s	1990-2005	2005-2010	2010 onwards
			
<p>Manufacturers opened their own outlets</p>	<p>Pure-play retailers realised the potential of this market</p> <p>Majority in the apparel segment</p>	<p>Substantial investment commitment from large Indian corporates</p> <p>Entry in food and general merchandise category</p> <p>Pan-India expansion to top 100 cities</p> <p>Repositioning by existing players</p>	<p>Cumulative FDI inflows stood at US\$ 4.11 billion in the retail trading sector between April 2000-June 2022.</p> <p>Retail 2020 Retrospect, Reinvent Rewrite.</p> <p>Movement to smaller cities and rural areas</p> <p>More than 5-6 players with revenue over US\$ 1 trillion by 2020</p> <p>Large-scale entry of international brands</p> <p>Approval of FDI limit in multi-brand retail up to 51%</p> <p>Sourcing and investment rules for supermarkets relaxed.</p> <p>100% FDI in single- brand retail under the automatic route</p>

*Source: Technopak Advisors Pvt Ltd, BCG, News Articles, DPIIT*

## Retail formats in India



Note: IT - Information Technology  
Source: Sutherland Research

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### Competitive landscape in Indian retail sector

#### 1. Departmental stores

- Pantaloon has 342 stores in 78 towns/cities
- Westside operates 169 stores across 88 cities
- Shoppers Stop has 83 stores & Lifestyle operates across 40 stores in India
- Reliance Retail operates 670 fashion concept stores across 350 cities in India

#### 2. Hypermarkets

- Big Bazar, Spencer Easy day and Reliance are some major players present in the market.
- Aditya Birla Retail (More Hypermarket) - 20 stores
- Trent has 10 stores under retail chain Star
- Big Bazaar operates 295 stores
- Spencer Hyper has 37 stores across the country

#### 3. Supermarkets/ convenience stores

- Aditya Birla Retail- More Supermarket (645 stores)
- Spencer's Daily (120 stores)



- Reliance Fresh (621 stores)
- REI 6Ten (350 stores)
- HyperCITY (20 stores)
- Dmart (234)

#### 4. Specialty stores

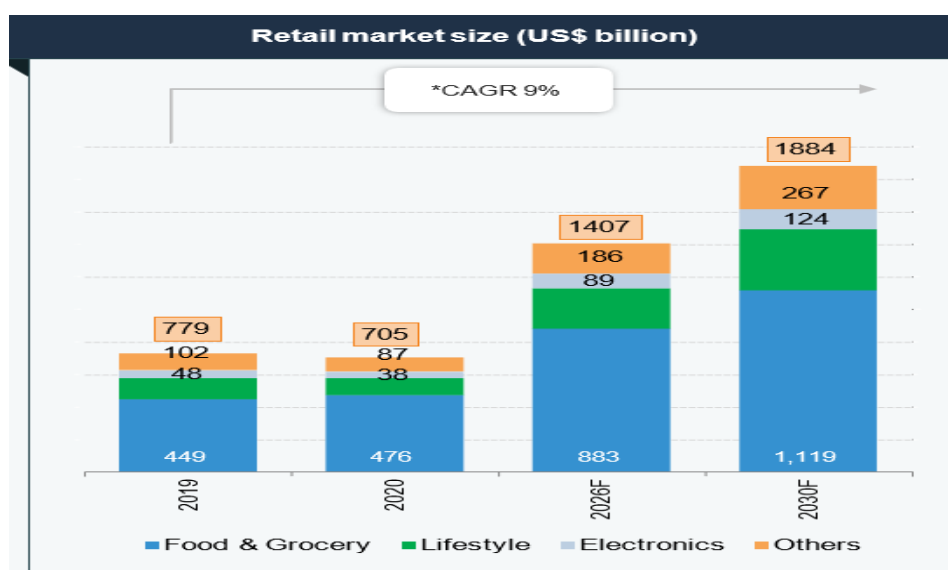
- Titan Industries is a large player, with 496 World of Titan, 262 Tanishq and 509 Titan Eye+ shops
- Vijay Sales, Croma and E-Zone in consumer electronics

#### 5. Cash and carry stores

- Metro started the cash and carry model in India -operates 27 stores across Mumbai,Kolkata, Delhi, Punjab, Hyderabad and Bengaluru
- Reliance Retail operates 52 cash and carry stores called 'Reliance Market', as of FY20

#### Strong growth in the Indian retail industry

- In October 2021, retailers in India increased by 14% compared with last year ▪ As per Kearney Research, India's retail industry is projected to rise at a slower pace of 9% between 2019 and 2030, from US\$ 779 billion in 2019 to US\$ 1,407 billion by 2026 and more than US\$ 1.8 trillion by 2030.
- Business activity among micro-retailers is reaching near normal levels, as they are adopting digital business tools to drive efficiency and growth. The micro-retail players are increasingly taking up digital book-keeping solutions, as it makes this task simpler and there is a demand coming from small towns and hinterlands.
- Since the onset of COVID-19, a growing number of value-conscious online shoppers are reshaping India's e-commerce retailing landscape and the trend is here to stay.



Note: \*CAGR up to 2018, F - Forecast, ^as per CRISIL

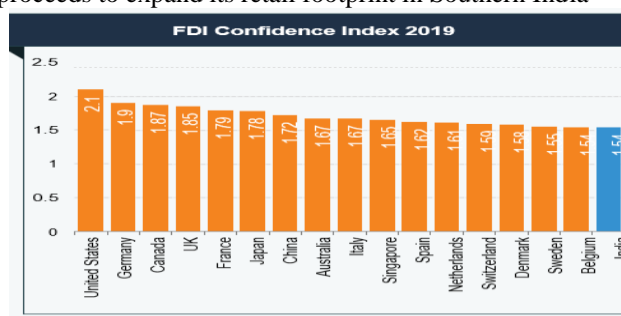
Source: indiaretailing.com, BMI Research, Consumer Leads report by FICCI and Deloitte - October 2018, News Article

### Organised retail in nascent stage

- In FY19, traditional retail, organised retail and E-commerce segments accounted for 88%, 9% and 3% of the market, respectively.
- The organised retail market in India is growing at a CAGR of 20-25% per year.
- The unorganised retail sector in India has a huge untapped potential for adopting digital mode of payments as 63% of the retailers are interested in using digital payments like mobile and card payments.
- Many fintech companies are competing for their presence in local stores. In May 2020, Paytm announced a US\$ 1 billion loyalty programme and launched online ledger services for kirana stores in India. Other fintech companies such as PayNearby, Phonepe, BharatPe and Mswipe introduced different services for small shop owners, enabling better digital payments and delivery options at these stores.
- For example, Amazon partnered with local stores to provide a platform for many small shops and merchants on its Amazon marketplace. While, Walmart has its own network of 28 'best-priced' stores serving local stores across the country.
- In October 2021, Flipkart announced plan to connect 5,000+ offline brand stores from >300 cities across the country on its platform to accelerate digital adoption for small retailers.

### Sector's high growth potential is attracting investors.

- India's high growth potential compared to global peers has made it a highly favourable destination. According to a study by Boston Consulting Group, India is expected to become the world's third largest consumer economy by reaching US\$ 400 billion in consumption by 2025
- In FDI Confidence Index, India ranked 15th (after US, Canada, Germany, UK, China, Japan, France, Australia, Switzerland and Italy)
- According to Prime Database, shareholding of retail investors in 1,605 listed companies hit an 11-year high of 7.01% and witnessed ~4.5 million new 'Demat' accounts from April 2021 to May 2021
- Retail tech companies supporting the retail sector with services such as digital ledgers, inventory management, payments solutions, and tools for logistics and fulfillment are taking off in India
- In the first nine months of 2021, investors pumped in US\$ 843 million into 200 small and mid-sized retail technology companies, which is an additional 260% of capital compared with the entire 2020
- In September 2021, the New Delhi-based e-commerce enablement start-up GoKwik raised US\$ 5.5 million through Matrix Partners India. Dukaan, another start-up that helps businesses digitise operations, received a US\$ 11 million investment led by 640 Oxford Ventures
- In 2021, Lenskart received US\$ 315 million funding from Falcon Edge Capital, Temasek Holdings, KKR. The company plans to use the proceeds to expand its retail footprint in Southern India



*Note: FDI - Foreign Direct Investment*

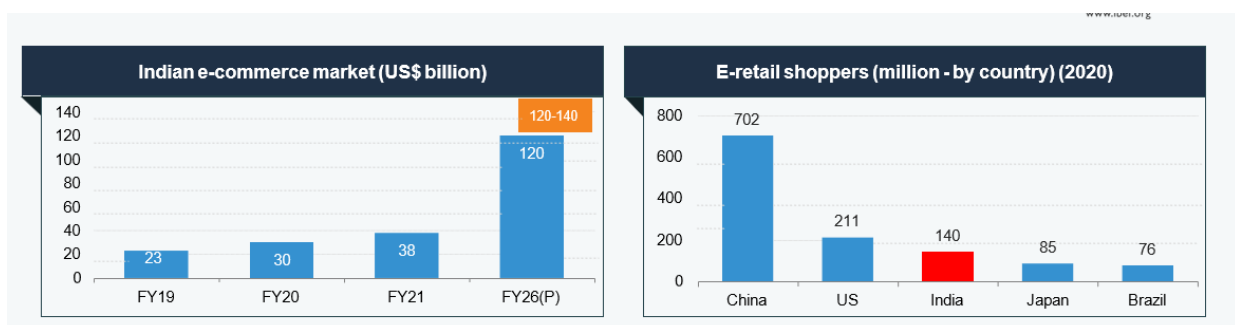
*Source: AT Kearney 2019 FDI Confidence Index, Prime Database*



*Note: F - Forecast, \* - e-commerce market here refers to sale of products and services through electronic transactions, home shopping is considered a part of e-commerce*  
*Source: BCG, KPMG- indiaretailing.com, Deloitte Report, Winning in India's Retail Sector, Centre for Digital Financial Inclusion (CDFI) report, Crisil.*

### Rising prominence of online retail

- E-retail has been a boon during the pandemic and according to a report by Bain & Company, in association with Flipkart, 'How India Shops Online 2021', the e-retail market is expected to reach US\$ 120-140 billion by FY26, increasing at ~25-30% annually over the next five years.
- India has the third-highest number of e-retail shoppers (only behind China, the US). As per the RedSeer report, India is set to become the third- largest online retail market by 2030 after the US and China with an annual Gross Merchandise value (GMV) of ~US\$ 350 billion. The new-age logistics players are expected to deliver 2.5 billion Direct-to-Consumer (D2C) shipments by 2030. Online used car transaction penetration is expected to grow by 9x in the next 10 years.
- The Government plans to allow 100% FDI in E-commerce under the arrangement that the products sold must be manufactured in India to gain from the liberalised regime.
- Online retailers now deliver to 15,000-20,000 pin codes out of nearly 100,000 pin codes in the country.
- During the festival period in 2020, Amazon, Flipkart and various vertical players sold goods worth US\$ 9 billion despite the pandemic onslaught.
- In April 2020, Amazon India announced to invest Rs.10 crore (US\$ 1.3 billion) to strengthen its pilot 'Local Shop on Amazon' programme, which added >5,000 local shops and retailers on the platform from >100 cities.



*Notes: APMEA - Asia/ Pacific, Middle East and Africa, F- Forecast*  
*Source: MasterCard Worldwide Insights 4Q 2010, ANAROCK, ASSOCHAM, UN Report 'The power of 1.8 billion', Nasscom annual guidance 2018, RedSeer Consulting, eMarketer*

### **Growth drivers for retail in India**

1. Favorable demographics
2. Rise in income and purchasing power.
3. Change in consumer mindset.
4. Brand consciousness
5. Easy consumer credit and increase in quality products.

### **Growth drivers for retail in India**

#### **1. Consumers Preference**

- India's per capita GDP increased to Rs. 143,048 (US\$ 1,982.65) in FY19 from Rs. 129,901 (US\$ 1,800.43) FY18.
- Indian consumers are now shifting more towards premium brands.

#### **2. Increase in digital payment methods in retail**

- In FY 2021-22 (till 20 March 2022) total number of digital payment transactions volume stood at Rs. 8,193 crore (US\$ 1.05 billion).
- In October 2022, UPI transactions were valued at Rs. 12.11 lakh crore (US\$ 148.32 billion).

#### **3. Consumer finance opportunity**

- According to India Ratings and Research, domestic organised food and grocery retailers are expected to increase by 10% YoY in FY22, with organised retailers and e-commerce likely to benefit from the ongoing demand for essentials.

#### **4. FDI approval**

- Department for Promotion of Industry and Internal Trade (DPIIT) approved three foreign direct investments (FDI), Mountain Trail Food, Kohler India Corporation, and Merlin Entertainments India in single-brand retail.
- DPIIT has approved two FDI proposals worth more than Rs. 400 crore (US\$ 62.45 million) within the retail sector

#### **5. Hybrid retail model**

- In December 2020, Flipkart's independent value-driven platform '2GUD' launched '2GUD Local', which is aimed at extending the benefits of e-commerce to traditional retail businesses.

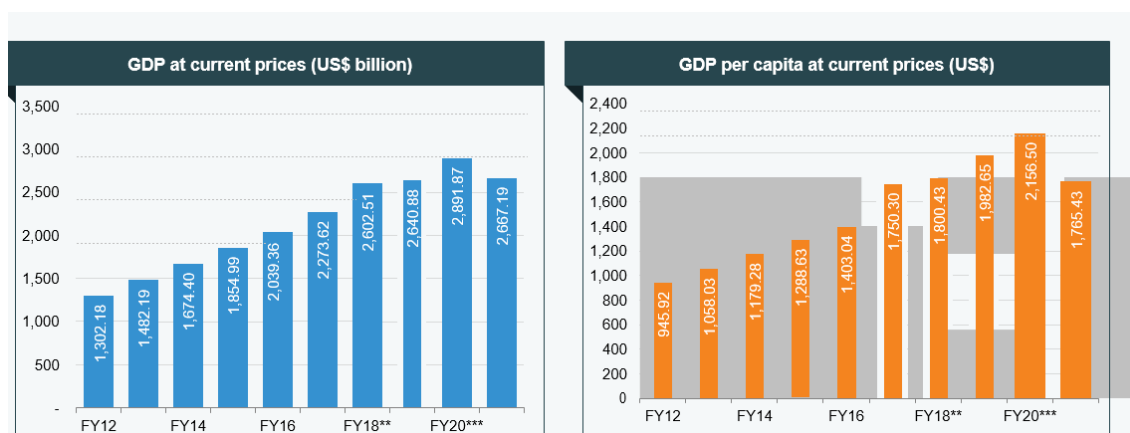
#### **6. Investment**

- According to a report by PGA Labs and Knowledge Capital, investors had put in US\$ 1.4 billion into D2C companies between 2014 and 2020. The sector recorded an investment of ~US\$ 417 million in 2020.
- In July 2021, the Andhra Pradesh government announced retail parks policy 2021-26, anticipating targeted retail investment of Rs. 5,000 crore (US\$ 674.89 million) in the next five years.
- In July 2021, Goat Brand Labs, a platform for D2C brands, raised US\$ 36 million and Lenskart raised US\$ 315 million from foreign investors.
- In December 2020, Singapore's sovereign wealth fund, GIC Pte Ltd. and ESR Cayman Ltd. formed a JV to purchase industrial and logistics assets worth US\$ 750 million in India.

Source: News Articles, Ministry of Statistics and Programme Implementation, Anarock Retail

### Income growth to drive demand for organized retail.

- Multiple drivers are leading to strong growth in Indian retail through a consumption boom
- Significant growth in discretionary income and changing lifestyles are among the major growth drivers of Indian retail.
- Easy availability of credit and use of ‘plastic money’ have contributed to a strong and growing consumer culture in India.
- Acceptance and usage of E-retailers by consumers are increasing due to convenience and secured financial transactions.
- Expansion in the size of the upper middle class and advertisement has led to greater spending on luxury products and high brand consciousness.
- India’s real gross domestic product (GDP) at current prices stood at Rs. 195.86 lakh crore (US\$ 2.71 trillion) in FY21, as per the second advance estimates (SAE) for 2020-21 and the per capita income at current prices was estimated at Rs. 127,768 (US\$ 1,765.43) in FY21.
- In the first quarter of FY22, the Indian economy increased by 20.1%, backed by last years’ low base.
- The real GDP in the first quarter of FY 2022-23 is estimated to be Rs. 36.85 lakh crore (US\$ 451.31 billion).
- According to Care Ratings, India’s GDP growth is likely to be 8.8-9% in FY22, driven by the agriculture and industry sectors.



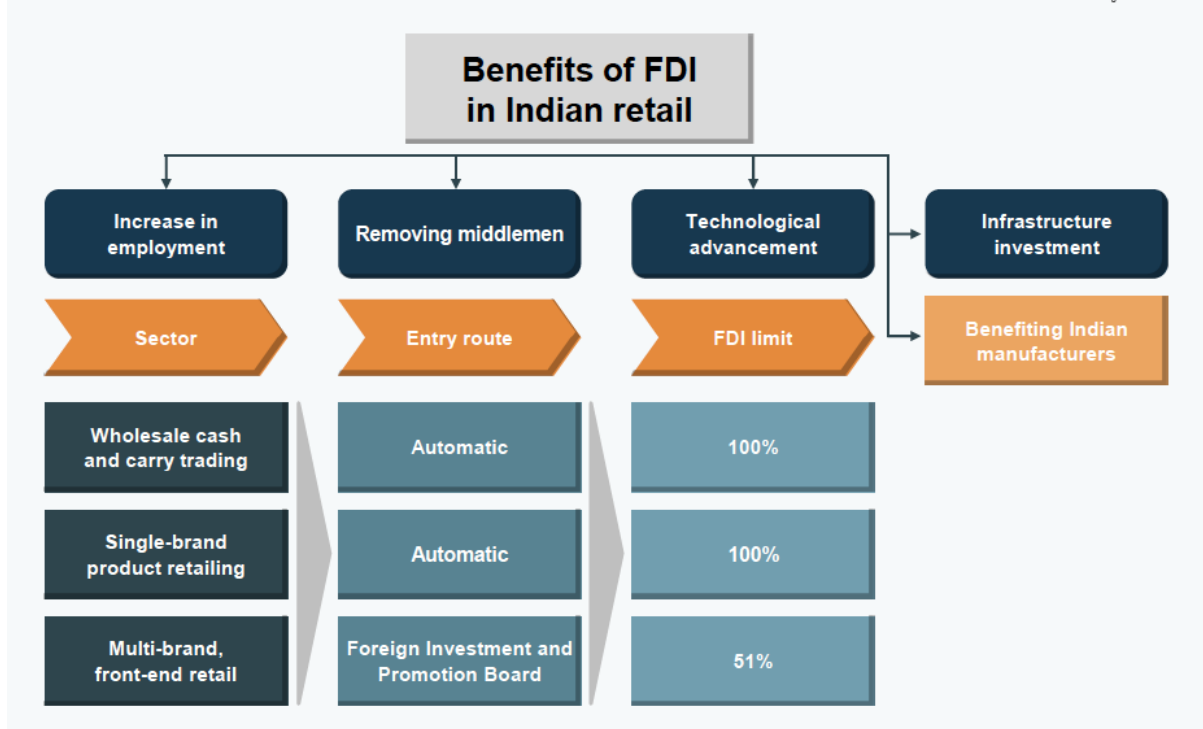
Source: IMF, \*\*- 2nd Revised Estimates, \* - 1st Revised Estimates, \*\*\*- 1st Advance Estimate

### FDI policy details on single and multi-brand retail in India

<b>50% FDI in multi -brand retail Status: Policy Passed</b>	<ul style="list-style-type: none"> <li>• Minimum investment cap is US\$ 100 million</li> <li>• 30% procurement of manufactured or processed products must be from SMEs.</li> <li>• Minimum 50% of total FDI must be invested in backend infrastructure (logistics, cold storage, soil testing labs, seed farming and agro-processing units).</li> <li>• Removes middlemen and provides better price to farmers.</li> <li>• Development in retail supply chain system</li> <li>• 50% jobs in retail outlet could be reserved for rural youth and a certain</li> </ul>
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	<p>amount of farm produce to be procured from poor farmers</p> <ul style="list-style-type: none"> <li>To ensure public distribution system (PDS) and food security system (FSS), the Government reserves the right to procure a certain amount of food grains.</li> <li>It will keep food and commodity prices under control. It will also cut agricultural waste as mega retailers would develop backend infrastructure. Consumers will receive higher quality products at lower prices and with better service.</li> </ul>
<b>100% FDI in single - brand retail Status: Policy Passed</b>	<ul style="list-style-type: none"> <li>Products to be sold under the same brand internationally. Sale of multi-brand goods is not allowed even if produced by the same manufacturer.</li> <li>100% FDI allowed in single-brand retail under the automatic route.</li> <li>Single-brand retail entities (SBRT) would be permitted to set off their incremental sourcing of goods from India for global operations during the initial five years, starting from the 1st April of the year of the opening of first store, as against the compulsory sourcing requirement of 30% of purchases from India. After completion of five-year period, the SBRT entity will be required to meet the 30% sourcing norms directly towards its India's operation, on an annual basis.</li> <li>100% FDI in retail trading of food products manufactured or produced in India.</li> <li>Liberalisation of FDI is expected to give a boost to Ease of Doing Business and Make in India.</li> </ul>

## Indian retail is set to benefit from FDI policy



**New goods and service tax (GST) would simplify tax structure.**

### 1. Supply Chain Structure

- Goods and Service Tax (GST) as a unified tax regime is expected to lead to re-evaluation of procurement and distribution arrangements.
- Removal of excise duty on products would result in cash flow improvements.

### 2. Cash Flow

- Tax refunds on goods purchased for resale implies a significant reduction in the inventory cost of distribution.
- Distributors are also expected to experience cash flow from collection of GST in their sales, before remitting it to the Government at the end of the tax-filing period.

### 3. System Changes And Transition Mgmt

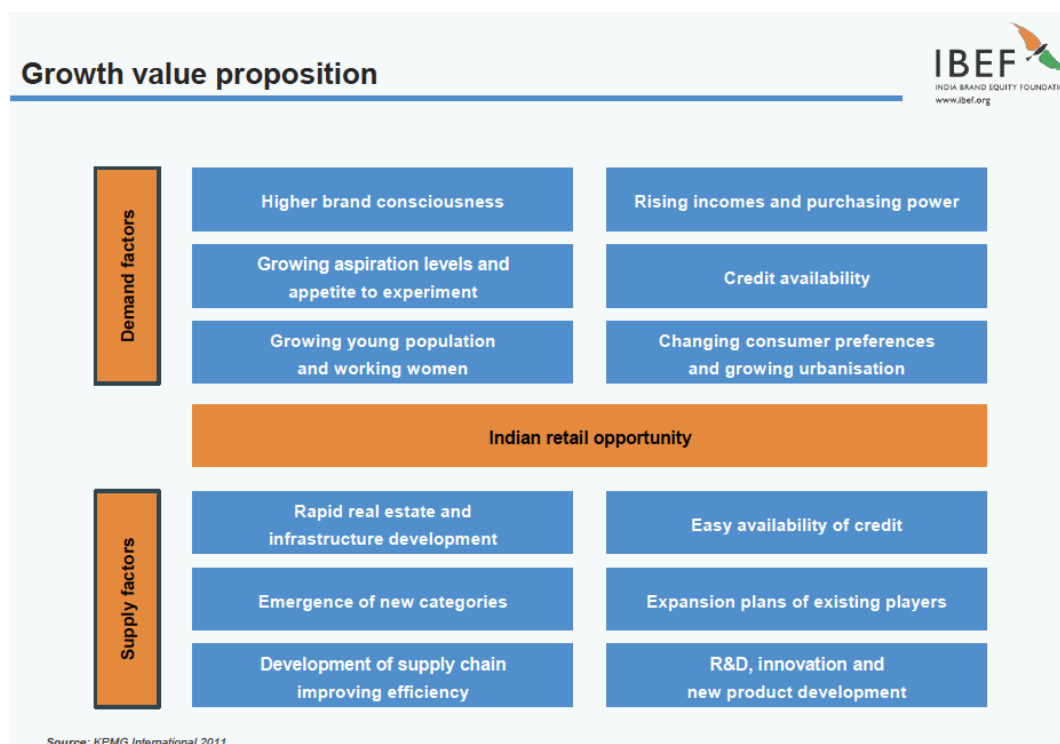
- Changes need to be made to accounting and IT systems in order to record transactions in line with GST requirements.
- Appropriate measures need to be taken to ensure smooth transition to the GST regime through employee training, compliance under GST, customer education and inventory credit tracking.

### 4. Pricing And Profitability





- Elimination of tax cascading is expected to lower input costs and improve profitability
- Application of tax at all points of supply chain is likely to require adjustments to profit margins, especially for distributors and retailers.

*Note: CII: Confederation of Indian Industry*

*Source: Sutherland Research*



## Ample growth opportunities in Indian retail Industry

 <p><b>Large Number of Retail Outlets</b></p>	 <p><b>Private Label Opportunities</b></p>	 <p><b>Sourcing Base</b></p>	 <p><b>Luxury Retailing</b></p>
<ul style="list-style-type: none"> <li>India is the fifth-largest preferred retail destination globally.</li> <li>The sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in tier II and tier III cities.</li> <li>In October 2021, Reliance announced plan to launch 7-Eleven Inc.'s convenience stores in India.</li> </ul>	<ul style="list-style-type: none"> <li>The organised Indian retail industry has begun experiencing an increased level of activity in the private label space.</li> <li>The organised retail sector is forecast to witness strong growth in the coming years.</li> <li>The share of private label strategy in the US and UK markets is 19% and 39%, respectively, while its share in India is just 6%. Stores like Shopper Stop and Lifestyle generates 15 to 25% of their revenue from private label brands.</li> </ul>	<ul style="list-style-type: none"> <li>Indian's prices competitiveness attracts large retail players to use it as a sourcing base.</li> <li>Global retailers such as Walmart, GAP, Tesco and JC Penney are increasing their sourcing from India and are moving from third-party buying offices to establishing their own wholly-owned/wholly-managed sourcing and buying offices.</li> </ul>	<ul style="list-style-type: none"> <li>Luxury retailing is gaining importance in India. This includes fragrances, gourmet retailing, accessories and jewellery among many others.</li> <li>The Indian luxury market is expected to grow to US\$ 200 billion by 2030, from US\$ 30 billion in 2020, supported by growing exposure of international brands among Indian youth and higher purchasing power of the upper class in tier II and III cities, according to ASSOCHAM.</li> </ul>

*Notes: FMCG - Fast Moving Consumer Goods*

*Source: Nielsen, Jefferies report*

## SCIENCE AND TECHNOLOGY

### Executive Summary

1) Huge Talent Pool	2) Policy Framework	3) Rising Investment	4) Growing Information Technology Sector	5) Global Innovation Index
<ul style="list-style-type: none"> <li>India has the third-largest scientific and technical manpower in the world.</li> <li>As of November 2021, the number</li> </ul>	<ul style="list-style-type: none"> <li>Policies aimed at projecting India as a Science and technology powerhouse and promoting both public and private sector involvement in the R&amp;D practice</li> </ul>	<ul style="list-style-type: none"> <li>With more and more multinational companies setting up their R&amp;D centres in India, the sector has seen an uptrend in investment in recent years.</li> </ul>	<ul style="list-style-type: none"> <li>The information technology sector is expected to increase at a CAGR of 2.3% YoY in FY21.</li> <li>In FY21, the sector added 1,497,501</li> </ul>	<ul style="list-style-type: none"> <li>India ranked 40th in the Global Innovation Index for 2022.</li> <li>In the Bloomberg Innovation Index 2021, India</li> </ul>



1) Huge Talent Pool	2) Policy Framework	3) Rising Investment	4) Growing Information Technology Sector	5) Global Innovation Index
<p>of universities in India stood at 1,019</p> <ul style="list-style-type: none"> <li>• In November 2020, 1,494 Indians were listed among the top 2% scientists in world.</li> <li>• India ranks 3rd in the world in terms of number of PhDs in science and engineering</li> <li>• In FY21, there were 5,018 R&amp;D projects, 2,528 fellowships, 3,702 publications, 30,532 ongoing projects and 797 innovations in India.</li> </ul>	<ul style="list-style-type: none"> <li>• In December 2020, the Minister for Petroleum &amp; Natural Gas and Steel, Mr. Dharmendra Pradhan, appealed to the scientific community to 'Innovate for India (I4I)' and create competitive advantages to make India 'Aatmanirbhar'</li> </ul>	<ul style="list-style-type: none"> <li>• Under the Union Budget 2022-23, the government announced allocation of Rs. 14,217 crore (US\$ 1.86 billion) to the Department of Science and Technology.</li> </ul>	<p>employees, becoming India's top employment generator.</p> <ul style="list-style-type: none"> <li>• IT spending in India will grow 7% YoY to reach US\$ 101.8 billion in 2022, compared to US\$ 81.89 billion in 2021.</li> </ul>	<p>ranked 50th in terms of innovations. In South Asia, India is the only country to be represented on the index.</p>

*Note: R&D – Research and Development*

*Source: RBI, India Budget*

### Advantage India

1) Robust Demand	2) Rising Private Equity	3) Policy Support	4) Attractive Opportunities
<ul style="list-style-type: none"> <li>► Rising income and evolving lifestyles have led to higher demand for aspirational products.</li> <li>► India's gross expenditure on R&amp;D (GERD) has been consistently increasing over the years.</li> <li>► As per the Economic Survey 2022, India's gross domestic expenditure on R&amp;D (GERD) as a percentage of GDP stood at 0.66%.</li> </ul>	<ul style="list-style-type: none"> <li>► Establishment of CoEs in various areas. NMITLI initiative on PPP basis.</li> <li>► Increased investment by private players setting up of R&amp;D centres.</li> </ul>	<ul style="list-style-type: none"> <li>► The Ministry of Science &amp; Technology has started various schemes such as Biomedical Research Career Programme and Ramanujan Fellowship to provide Indian researchers living in foreign countries with attractive avenues and opportunities to work in Indian institutes and universities.</li> <li>► In September 2021, India published the amended Patents Rules (2021) and reduced fees by 80% for educational institutions.</li> </ul>	<ul style="list-style-type: none"> <li>► India's medical technology sector is forecast to reach US\$ 9.6 billion in 2022.</li> <li>► India is the top exporter of IT products and has the third-largest pharma sector and a fast-growing contract research segment.</li> <li>► For designing and testing the product, Government is setting up high-tech R&amp;D facilities by bringing together scientific research and commercial activities under one roof.</li> </ul>

► Expanding middle-class and increasing affordability are demand drivers for technologically advanced products			
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**Notes:** CoE - Center of Excellence, PPP - Public Private Partnership, TRIPS - Trade Related Aspects of Intellectual Property Rights, NMITLI - New Millennium Indian Technology Leadership Initiative, NIC - National Innovation Council; Figures mentioned are as per latest data available

**Source:** IPI India Annual Report, PwC report

### Evolution of science and technology policy framework in India

2013	2014	2015	2016	2017	2020
<b>Science, Technology and Innovation Policy</b> aims to develop synergies between science, technology and innovation. Ethnic diversity and varying demographics attracted investment from various players	<b>New Initiatives</b> such as SWAYAM (Study Webs of Active-Learning for Young Aspiring Minds), etc. have been taken to support young talent and attract innovation. ▪ ‘Innovation of Science Pursuit for Inspire Research (INSPIRE)’ initiative was launched to communicate with the youth population and attract talent to the scientific field.	<b>Scientific and Technological (S&amp;T) Activities</b> Survey 2015-16 aimed to collect data on resources devoted to R&D in science and technology. The information is collected from about 5,000 R&D organisations present across the country.	<b>New Initiatives</b> such as the Science, Technology, Innovation and Creation of Knowledge (STICK) framework has been taken by the Indian Government to support innovation.	<b>▪ Achievement</b> Indian Space Research Organisation (ISRO) made history after placing 104 satellites into space in a single mission through its Polar Satellite Launch Vehicle (PSLV).	<b>Science, Technology and Innovation Policy 2020*</b> The new policy revolves around the core principles of being decentralised, evidence informed, bottomup, experts-driven and inclusive approach.

**Source:** Department of Science and Technology, Ministry of HRD, Government of India, \*Draft Stage

### Indian Science and Technology Systems

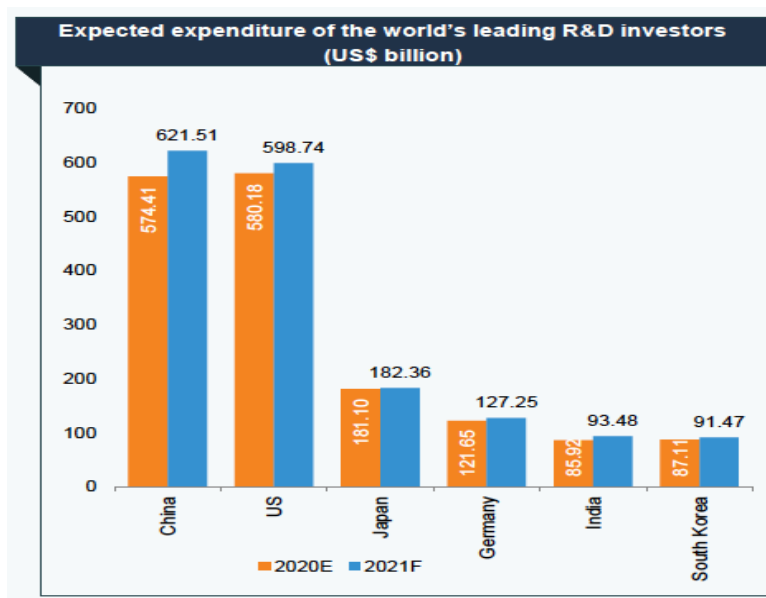
- 1) Government funding and developments agencies
- 2) Academic Sector
- 3) Socio-Economic Ministries
- 4) Industrial R & D Systems
- 5) R & D by multinational Companies
- 6) R & D in NGO Group
- 7) R & D Bodies

**Note:** STI refers to Science Technology and Innovation

**Source:** Changing Indian STI Landscape Presentation, Department of Science and Technology

## India among the world's leading R & D investors

- India's gross expenditure in R&D reached US\$ 96.50 billion by the end of 2020.
- India moved up to fifth rank in the Global R&D Funding Forecast 2021.
- India ranks third among the most innovative lower-middle-income economies in the world.
- R&D investment has helped Indian companies to overcome tight competition with affordable products internationally.
- In 2021-22, African Centers of Excellence in a few specific scientific fields were strengthened by twinning with Indian institutes in order to carry out the Africa-India S&T Initiative Program by the Department of Science and Technology.
- India has active bilateral science and technology (S&T) programs of cooperation with more than 45 countries, including dedicated programs for Africa, ASEAN, BRICS, EU and neighboring countries.
- To accelerate digital innovation in India, NITI Aayog, Amazon Web Services and Intel have come together to develop a new experience studio to boost problem-solving and innovation between government stakeholders, start-ups, enterprises and industry experts. The new experience studio will use technologies such as artificial intelligence, machine learning, Internet of Things, augmented reality, virtual reality, blockchain and robotics to accelerate their use in the public sector.
- During the 12th meeting of the BRICS S&T Steering Committee, all members agreed to an STI-led BRICS Innovation Cooperation Action Plan (2021-24) proposed by India, according to the Department of Science and Technology.



**Notes:** R&D - Research and Development, F - Forecast, E - Estimated \* in Purchasing Power Parity terms

**Source:** Nature Magazine, Battelle, R&D Magazine

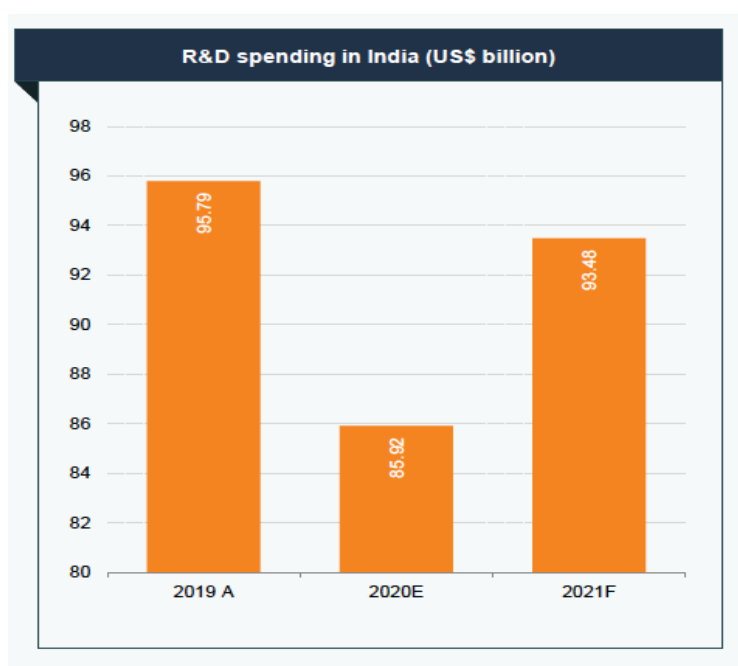
## Manpower and Investments

1	2
<b>India has a strong network of science and technology institutions and trained manpower.</b> <ul style="list-style-type: none"> <li>▪ India is among the top-ranking countries in the field of basic research.</li> <li>▪ It has the third-largest scientific and technical manpower in the world.</li> <li>▪ India remains among the top 3 countries in scientific publication in SCI journals as per the NSF database.</li> </ul>	<b>Strengthening India's position in research through investment.</b> <ul style="list-style-type: none"> <li>▪ India ranks third in global research publication output.</li> <li>▪ India's R&amp;D expenditure is expected to double with government and private sector funding.</li> <li>▪ Under the National Initiative for Developing and Harnessing Innovations (NIDHI) programme, the Indian Government plans to invest US\$ 29.75 million</li> </ul>

1	2
<ul style="list-style-type: none"> <li>India ranked 10th in the Global Cybersecurity Index 2020 that was launched by the International Telecommunication Union.</li> <li>India ranks 7th among highly productive countries in science and technology research.</li> <li>Britain and India's research partnership will reach GBP 400 million (US\$ 544 billion) by 2021, which include 175 different UK and Indian research institutions and more than 100 industry partners.</li> <li>TechnoPro, a Japanese tech firm, plans to hire 10,000 engineers and researchers in India by 2022-23.</li> <li>India's Top 5 IT firms (TCS, Infosys, Wipro, HCL and Tech Mahindra) added more than 122,000 employees in the first six months of FY22, nearly matching the 138,000 employees hired in the entirety of FY21</li> </ul>	<p>for setting up 100 incubators across the country in the next 4 years to support start-ups.</p> <ul style="list-style-type: none"> <li>In November 2022, India announced an additional contribution of US\$ 5 million to the ASEAN-India science and technology fund to increase cooperation in sectors of public health, renewable energy and smart agriculture.</li> <li>In November 2022, the Department of Science and Technology (DST) and the Centre for Science and Environment (CSE) decided to work together to build a platform in order to support the development of new electric vehicle (EV) batteries that meet Indian regulations.</li> </ul>

### Strong Growth in R & D Investments in India over the years

- By 2022, R&D expenditure is targeted to reach 2% of the GDP.
- To facilitate protection and commercialising of IPRs, these schemes will be providing access to high-quality intellectual property services
- and resources. Moreover, under these schemes, the Central Government will bear the fees for facilitators for patents, trademarks or designs that a start-up may file. Start-ups will only bear the cost of the statutory fees payable.
- The India-Russia Cooperative Technology Assessment and Accelerated Commercialisation Programme has chosen three Indian S&T-led SMEs - Ananya Technologies in Bengaluru, Prantae Solutions in Bhubaneswar and Jayon Implants in Palakkad - to work on joint R&D and technology transfer projects. The programme is a
- collaboration between the Indian government's Department of Science and Technology (DST) and the Foundation for Assistance to Small Innovative Enterprises (FASIE).
- A MoU was signed between the Department of Science and Technology (DST), Ministry of Science and Technology & Earth Sciences, and the Ministry of Ayush. The MoU outlines potential research areas to investigate collaboration, convergence, and synergy for an evidence-based scientific intervention in the Ayush sector and further integration of these into the public health care.

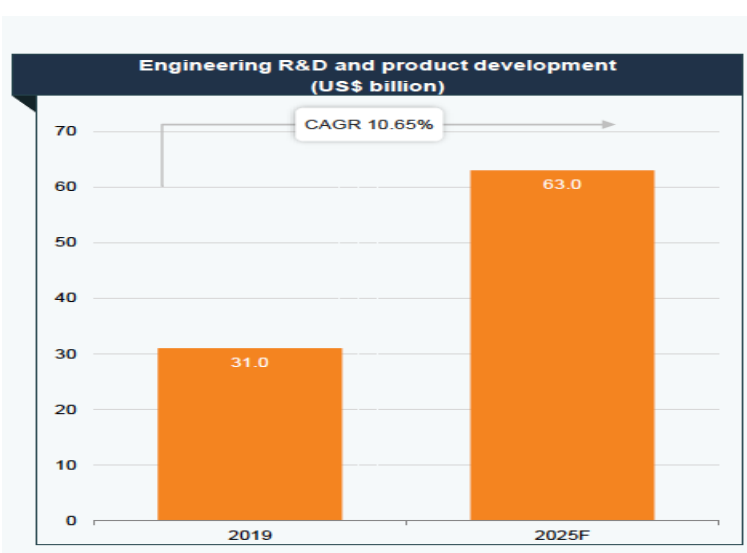


**Notes:** R&D - Research and Development, A – Actual, E – Estimated, F - Forecast, in Purchasing Power Parity terms

*Source: R&D Magazine, International Monetary Fund, World Bank, CIA Fact Book, OECD, Department of Science and Technology, WIPO*

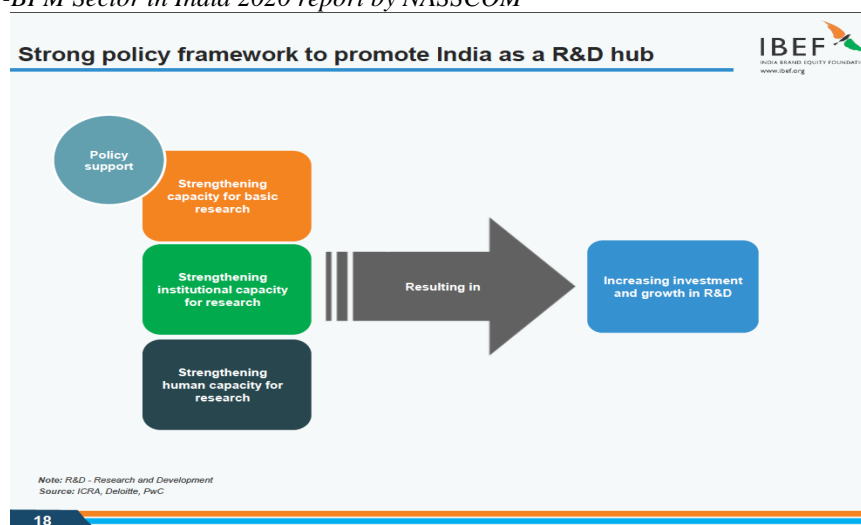
### India is also garnering the benefits of R & D outsourcing

- India has become one of the most preferred locations for engineering offshoring. Companies across multiple sectors (such as IT, consumer electronics, personal devices, medical electronics, telecom and automobiles) are now offshoring complete product responsibility.
- Engineering R&D products and services are growing at a fast rate in the technology sector in India.
- The engineering R&D and product development market in India is forecast to post a CAGR of ~12% to reach US\$ 63 billion by 2025 from US\$ 31 billion in 2019.
- Newer capabilities such as supply chain, regulatory compliances and manufacturing engineering are being developed by engineering R&D service providers.
- Service providers in Europe are scaling up and setting offshore operations in India to access a cost effective and large talent pool.
- According to NASSCOM forecasts, global engineering R&D (ER&D) investment will reach US\$ 2 trillion by 2030, with US\$ 500 billion coming from digital engineering services. Given that India is the top exporter of ER&D services, this opens a significant opportunity for the country (worth US\$ 100-150 billion).



*Notes: R&D - Research and Development, IT - Information Technology; Figures mentioned are as per latest data available*

*Source: The IT-BPM Sector in India 2020 report by NASSCOM*



1	<p><b>Project funding</b></p> <ul style="list-style-type: none"> <li>• In August 2021, the Central Government approved the Deep Ocean Mission (DOM), which would be implemented by the Ministry of Earth Sciences at a total budget of Rs. 4,077 crore (US\$ 548.54 million) for five years. The mission is a multi-ministerial, multi-disciplinary programme to develop deep-sea technologies such as manned submersibles (that are rated for 6,000-metre water depth) and enable deep-sea mining, exploration of deep-sea mineral resources and marine biodiversity, acquisition of a research vessel to explore oceans, conduct deep-sea observations and build capacities in marine biology research.</li> <li>• In December 2020, the Ambassadors of France and Germany, and the European Union announced that they would work out a detailed plan to fund more eco-friendly projects in Kerala in the coming years.</li> </ul>
2	<p><b>MSME development</b></p> <ul style="list-style-type: none"> <li>• The Department has revamped the FIST (Fund for Improvement of S &amp; T Infrastructure in Universities and Higher Educational Institutions) programme to align it with the objective of Atmanirbhar Bharat by developing R&amp;D infrastructure for use by start-ups, manufacturing companies, and MSMEs, in addition to R&amp;D operations in academic organisations.</li> <li>• In March 2021, Minister for MSME, Road Transport &amp; Highways, Mr. Nitin Gadkari, inaugurated two technology centres at Visakhapatnam and Bhopal, three extension centres of big technological centres, and seven mobile Udyam Express of MSMEs.</li> </ul>
3	<p><b>Technology department</b></p> <ul style="list-style-type: none"> <li>• In September 2020, the technology license agreement was signed on 'Brucella abortus S19Δ per vaccine' between ICAR- Indian Veterinary Research Institute (IVRI) and Hester Biosciences Limited to aid the National Control Programme on Brucellosis.</li> </ul>
4	<p><b>Science Technology and Innovation Strategy, 2020</b></p> <ul style="list-style-type: none"> <li>• Under the new Science Technology and Innovation Strategy, 2020, which seeks to make this arena more inclusive and diverse, science and technology institutes will be rated on the basis of the support they offer to female workers.</li> </ul>
5	<p><b>Human capacity building</b></p> <ul style="list-style-type: none"> <li>• Women Scientists Scheme: Four meetings have been conducted with the Principal Investigators of Women Scientists Scheme-A (WOS-A), wherein ~120 women scientists from physical and athematical sciences, engineering and technology, earth and atmospheric sciences and chemical sciences participated in these meetings. In September 2020, 45 sanctions were issued under WOS-A and WOS-B programmes.</li> <li>• The Women Science programme of DST has started a new initiative to support women PG colleges under the CURIE (Consolidation of University Research for Innovation and Excellence in Women Universities) Program and invited proposals for the same.</li> <li>• In February 2021, about 1 lakh women were trained on digital literacy in India via 'We Think Digital'.</li> <li>• By 2025, India will require 9x the number of digital workers in 2020 to scale up technological advancements across all sectors.</li> </ul>
6	<p><b>SERB-POWER (Promoting Opportunities for Women in Exploratory Research)</b></p> <ul style="list-style-type: none"> <li>• In August 2020, SERB approved implementation of a Scheme - SERB-POWER (Promoting Opportunities for Women in Exploratory Research) to mitigate gender disparity in science and engineering, and research funding in S&amp;T programmes in Indian academic institutions and R&amp;D laboratories.</li> </ul>
7	<p><b>India International Science Festival</b></p> <ul style="list-style-type: none"> <li>• In November 2021, the Ministry of Science and Technology and Ministry of Earth Sciences, in association with Vijnana Bharati (VIBHA), launched India International Science Festival 2021, a unique platform, with its theme being the celebration of creativity in science, technology and innovation for a prosperous India.</li> </ul>
8	<p><b>Interdisciplinary Cyber Physical Systems (ICPS)</b></p> <ul style="list-style-type: none"> <li>• To promote R&amp;D in this emerging field of research, the Department of Science and Technology (DST) launched Interdisciplinary Cyber Physical Systems (ICPS) with an outlay of Rs. 3,660 crore (US\$ 507.28 million) in 2019.</li> <li>• Under the mission, 15 technology innovation hubs, six application innovation hubs and four technology translation research hubs are going to be established in the next five years.</li> <li>• In February 2021, about 1 lakh women were trained on digital literacy in India via 'We Think Digital'.</li> <li>• By 2025, India will require 9x the number of digital workers in 2020 to scale up technological advancements across all sectors.</li> </ul>
9	<p><b>Rural development</b></p>

	<ul style="list-style-type: none"> <li>On September 30, 2020, the Minister of Science &amp; Technology, Earth Sciences and Health &amp; Family Welfare, Dr. Harsh Vardhan, launched CSIR technologies for rural development under a joint initiative of the Council of Scientific &amp; Industrial Research (CSIR), Unnat Bharat Abhiyan (UBA), Indian Institute of Technology Delhi (IITD) and Vijnana Bharti (VIBHA). The technologies released included the following: <ul style="list-style-type: none"> <li>Improved beehive for quality and hygienic extraction of honey, CSIR-IHBT, Palampur;</li> <li>Technology for manufacturing 'Ginger' paste, CSIR-CFTRI, Mysore;</li> <li>Dehumidified drier for food and agri products, CSIR-NIIST, Thiruvananthapuram; and</li> <li>Technology for agricultural waste based biodegradable plates, cups and cutlery, CSIR-NIIST, Thiruvananthapuram</li> </ul> </li> </ul>
10	<p><b>Scientific Infrastructure Building September 2020</b></p> <ul style="list-style-type: none"> <li>Scientists from Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR), Bengaluru and Indian Institute of Science (IISc), Bengaluru have devised a unique way to observe the devitrification process under a microscope in real time.</li> <li>A new sensor to detect biogenic thiols was developed by Indian Association for the Cultivation of Science (IACS), Kolkata.</li> <li>A new programme on 'Technology Readiness Level Assessment' was initiated by Technology Information, Forecasting &amp; Assessment Council (TIFAC), New Delhi, to develop and manage the technology portfolio in select institutions such as research laboratories, academia, Atal innovation labs and TBIs.</li> </ul>
11	<p><b>Other initiatives</b></p> <ul style="list-style-type: none"> <li>In June 2022, the Department of Health Research (DHR) and the Indian Council of Medical Research (ICMR) launched the ICMR-DHR Centers of Excellence (CoE) for promoting medical technology breakthroughs at seven IITs.</li> <li>Department of Science and Technology data revealed that almost 28% of participants in interschool R&amp;D projects in 2018-19 were women, up from 13% in 2000-01. This was a result of various positive initiatives taken by successive governments.</li> <li>To further India with High-Performance Computing (HPC), four new Supercomputers have been installed since July 2021 - one each at IITHyderabad, NABI- Mohali, CDAC-Bengaluru, and IIT Kanpur.</li> <li>Synergistic Training Program Utilizing the Scientific and Technological Infrastructure (STUTI), a new initiative, was recently unveiled with the goal of enhancing human resource development and capacity building through nationwide open access to science and technology infrastructure.</li> <li>The Science and Engineering Research Board (SERB) has partnered with Intel India to launch a first-of-its-kind initiative to advance deep techbased research in India.</li> <li>In October 2021, the government launched the Indian Space Association (ISpA) to accelerate technology advancements and strengthen the space sector in the country.</li> </ul>

*Source: News Articles, Government Websites*

#### **Policy supports aiding growth in the sector.**

<b>1. Union Budget 2022-23</b>	<ul style="list-style-type: none"> <li>Under the Union Budget 2022-23, the government announced allocation of Rs.4,217 crore (US\$ 1.86 billion) to the Ministry of Science and Technology. The Department of Atomic Energy was allocated Rs. 22,723.58 crore (US\$ 2.97 billion).</li> <li>The Department of Science and Technology (DST) has been allocated Rs. 6,000 crore (US\$ 785.64 million).</li> <li>The Ministry of Earth Sciences was allocated Rs. 2,653.51 crore (US\$ 347.45 million).</li> </ul>
<b>2. O-SMART (Ocean Services, Modelling, Applications, Resources and Technology) scheme</b>	<ul style="list-style-type: none"> <li>Ocean Services, Modelling, Applications, Resources and Technology (O-SMART) scheme of the Ministry of Earth Sciences is as follows: <ol style="list-style-type: none"> <li>To generate and regularly update information on marine living resources and their relationship with the physical environment in the Indian Exclusive Economic Zones (EEZ).</li> <li>To periodically monitor levels of sea water pollutants for health assessment of coastal waters of India to develop shoreline change maps for assessment of coastal erosion due to natural and anthropogenic activities.</li> </ol> </li> </ul>

	(3) To develop a range of state-of-the art ocean observation systems to collect real-time data from seas around India.
<b>3. Indian Institutes of Information Technology Laws (Amendment) Bill, 2020</b>	<ul style="list-style-type: none"> <li>On September 22, 2020, the Rajya Sabha passed the Indian Institutes of Information Technology Laws (Amendment) Bill, 2020, to provide knowledge in the field of information technology to offer solutions to challenges faced by the country</li> </ul>

*Note: PPP - Public Private Partnership*

*Source: Union Budget 2022-23, Battelle, Electronics for You, Organisational Website*

### Schemes of the Ministry of Science & Technology

The Ministry of Science & Technology has formulated the following schemes to provide attractive avenues and opportunities to Indian researchers who are residing in foreign countries to work in Indian Institutes and Universities.

<b>1. Visiting Advanced Joint Research (VAJRA) Faculty Scheme</b>	<ul style="list-style-type: none"> <li>Visiting Advanced Joint Research (VAJRA) Faculty Scheme aims to encourage overseas Scientists and academicians including nonresident Indians (NRI) and overseas citizens of India (OCI) to work in public-funded institutions and universities in India.</li> </ul>
<b>2. Ramanujan Fellowship</b>	Ramanujan Fellowship provides attractive avenues and opportunities to Indian researchers of high caliber who are residing abroad to work in Indian institutes/universities in all areas of science, engineering and medicine.
<b>3. Ramalingaswami Re-entry Fellowship</b>	<ul style="list-style-type: none"> <li>Ramalingaswami Re-entry Fellowship programme aims to encourage scientists (Indian nationals) working outside the country, who would like to return to their home country to pursue their research interests in life sciences, modern biology, biotechnology and other related areas.</li> </ul>
<b>4. Biomedical Research Career Programme (BRCP)</b>	<ul style="list-style-type: none"> <li>Biomedical Research Career Programme (BRCP) provides opportunities to early, intermediate and senior-level researchers to establish their research &amp; academic careers in basic biomedical or clinical &amp; public health sectors in India.</li> </ul>
<b>5. Scientists/Technologists of Indian Origin (STIO) in Indian Research Laboratory</b>	<ul style="list-style-type: none"> <li>There is a provision to appoint 'Scientists/Technologists of Indian Origin (STIO)' on a contractual basis at the Council of Scientific and Industrial Research (CSIR) laboratories to nurture research in their area of expertise.</li> </ul>
<b>6. Senior Research Associateship (SRA) (Scientist's Pool Scheme)</b>	Senior Research Associateship (SRA) (Scientist's Pool Scheme) is primarily meant to provide temporary placement to highly qualified Indian scientists, engineers, technologists and medical personnel returning from abroad, who do not have any employment opportunities in India.

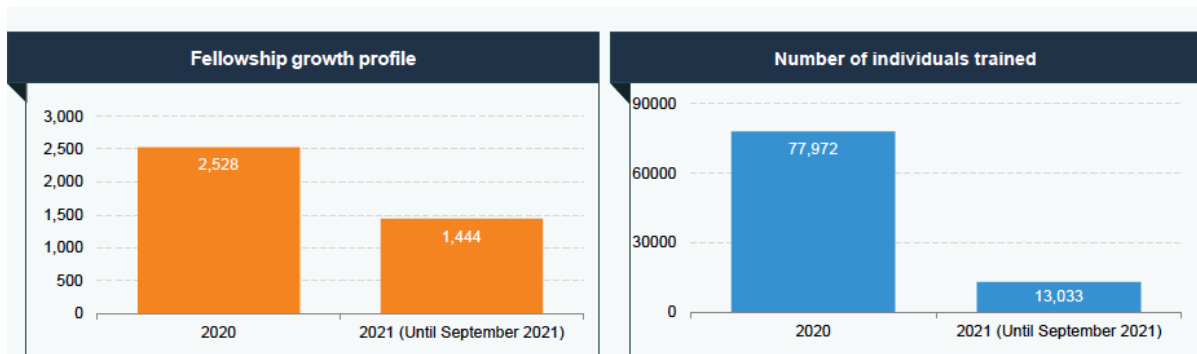
**Source:** Department of Science and Technology, Government of India, and Other Government Websites

### Strengthening human capacities for growth

In recent years, the Indian Government has implemented several fellowship schemes to nurture human capacity for advanced research in the country.

- The number of individuals trained under various departments of science and technology stood at 13,033, while fellowships stood at 1,444 in 2021 (until September 2021).
- The period between 2010-20E has been declared as the 'Decade of Innovation' by the country and the need for the establishment of National Innovation Council has been emphasised. To fuel growth, innovation in science and technology STI (Science, Technology and Innovation) Policy 2013 was formed.

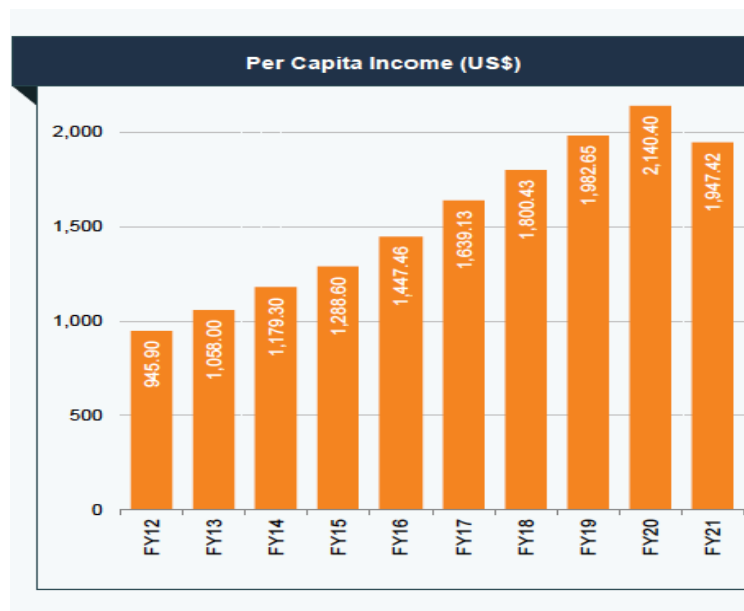




**Note:** Pursuit for Inspired Research (INSPIRE),<sup>^</sup> - Figures mentioned are as per latest data available, , SERB - Science and Engineering Research Board, DST - Department of Science & Technology  
**Source:** NSTMIS, Department of Science and Technology

### Local demand attracting investment from MNCs... (1/2)

- An expanding middle-class and rise in purchasing power of rural residents have boosted demand for innovation and development of cheap and durable products that could meet the local requirements.
- Rising per capita income in India will bring boom in R&D investment in the country with more and more foreign players shifting R&D bases to India.
- Qualcomm plans to invest US\$ 8.5 million on design initiatives in India, which would include funding its innovation labs at Hyderabad and Bangalore for R&D.
- Oppo's India research and development centre (R&D) has filed 200 patents, including patents for 5G and camera technologies. The company is also planning to make huge investments in India from its US\$ 7 billion global investment bucket.
- As per the Nasscom and ANSR report, >25 Over 25 new Global Capability Centres (GCCs) in the retail/consumer packaged goods industry are looking to set up their tech centres in 2021.
- India offers various opportunities for research & development and innovations. As of 2021, >70% of the 50 most innovative firms across the world have a research and development centre in India.
- In November 2022, Norwest Venture Partners agreed to invest US\$ 32 million in Celebal Technologies, which specialises in AI, big data, and enterprise cloud among other technologies. In exchange, Norwest Venture Partners will acquire a minority stake in the company.



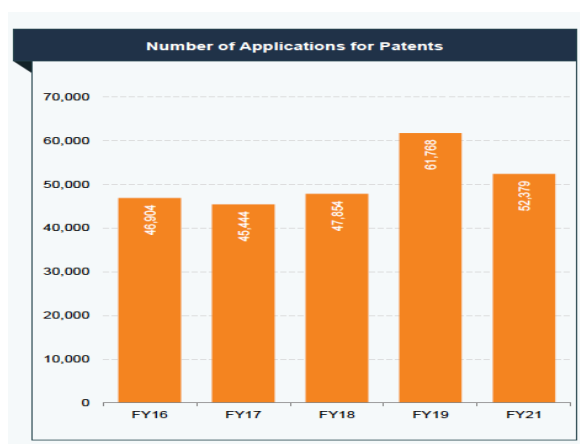
**Note:** SAE - Second Advance Estimates

**Source:** IMF, World Bank, India Budget, Government of India Press Information Bureau Government of India, Ministry of Statistics and Programme Implementation

## Local demand attracting investment from MNCs... (2/2)

Lower development cost, rising technology intensity and growing local demand for top-of-the-line unique technology products have attracted R&D investment from foreign companies in India, making it one of the largest outsourcing provider in the R&D segment.

- India remains among the top 3 countries in scientific publication in SCI journals as per the NSF database.
- Compared with 4.9% of the world average growth rate of scientific publications, India's growth rate was 12.9%. The average annual increase in publications in India between 2008 and 2018 was 10.73%.
- India ranks 10th for only resident patent applications.
- The total number of patent applications filed by scientists and inventors in India increased to 61,768 in FY19 from 47,854 in FY18.
- India recorded a rapid increase in grant of patents and copyrights in the last 5-6 years. The number of patents granted increased from 6,326 in FY16 to 28,391 in FY21, trademarks registration increased from 65,045 in FY16 to 2,55,993 in FY21, and copyrights granted increased from 4,505 in FY16 to 16,402 in FY21.
- From 2014-21, India recorded a 572% growth in patent approvals.
- Simplified patents and copyright registrations are helping India become an innovation hub. In August 2021, Officials of Controller General of Patents, Designs & Trademarks (CGPDT) briefed on how the IP process has been simplified, streamlined and re-engineered to include new timelines for disposal and a digital mode to promote ease of filing and obtaining services. Also, special care is being given to expedite examination of patents filed, especially applications filed by start-ups, women entrepreneurs, etc.



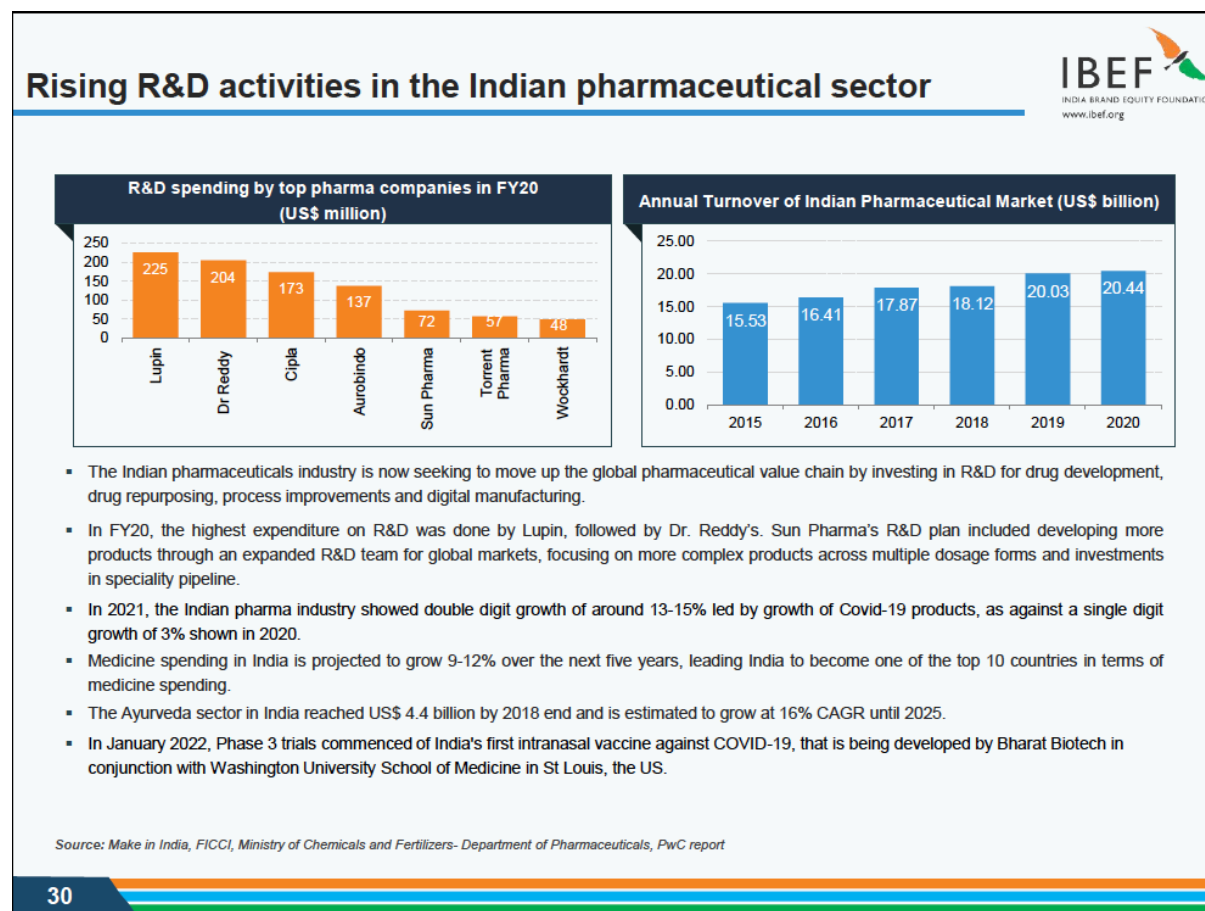
Source: Lok Sabha, Press Releases

## R&D opportunities in various sub sectors in India

<b>1. ICT and wireless technology</b>	<ul style="list-style-type: none"> <li>• Establishment of Software Technology Parks of India (STPI).</li> <li>• Cloud computing presents endless Opportunities in wireless technologies</li> </ul>
<b>2. Pharmaceuticals and Health Care</b>	<ul style="list-style-type: none"> <li>• Third-largest pharmaceuticals market in 2020.</li> <li>• A new Health Policy 2015-25 to focus on healthcare for all holistically</li> </ul>
<b>3. Manufacturing technologies</b>	<ul style="list-style-type: none"> <li>• Automation and environmental sustainability are the key focus areas for manufacturing companies.</li> <li>• The National Manufacturing Policy targets creating 100 million additional jobs in the sector by 2025.</li> </ul>
<b>4. Material energy</b>	<ul style="list-style-type: none"> <li>• Multi-disciplinary research to combine emerging concepts in nanotechnology with fundamental metallurgical chemistry is the way forward.</li> </ul>
<b>5. Bioenergy</b>	<ul style="list-style-type: none"> <li>• Bio-energy is emerging as a promising alternative to meet rural energy needs in India.</li> <li>• Target set by Bioenergy Programme: By 2020, 20% blending of fossil fuels will be done through a cost-effective production system for algal biofuel and next generation biofuels from agricultural waste.</li> </ul>
<b>6. Water technologies</b>	<ul style="list-style-type: none"> <li>• The water demand of industries will account for 8.5% and 10.1% of the total freshwater abstraction in 2025 and 2050, respectively.</li> </ul>

- R&D efforts should concentrate on developing technologies for treatment, recycling, recovery, reuse and efficient use of water.

Source: Make In India, FICCI



## New developments in the science and technology industry

1. Collaboration	2. Technology Business Incubator (TBI)	3. National Supercomputing Mission	4. Artificial Intelligence	5. Hydrogen Fuel Cell fitted car
<ul style="list-style-type: none"> <li>• In October 2021, India and Denmark agreed for a five-year plan to implement green Strategic partnership for enhancing collaboration in various areas including science and technology.</li> <li>• In October 2021, India and Europe held discussions to review the progress on science and</li> </ul>	<ul style="list-style-type: none"> <li>• Technology incubator T-Hub launched the semiconductor companion of the AIC T Hub Foundation programme to develop innovation and entrepreneurship across the semiconductor sector startups.</li> <li>• In October 2020, Minister of Education, Mr. Ramesh Pokhriyal 'Nishank',</li> </ul>	<ul style="list-style-type: none"> <li>• India is emerging as a leader in high power computing.</li> <li>• To further India's progress with High-Performance Computing (HPC), four new Supercomputers have been installed since July 2021 - one each at IIT-Hyderabad, NABI-Mohali, CDAC-Bengaluru, and IIT Kanpur.</li> </ul>	<ul style="list-style-type: none"> <li>• In August 2022, Samsung announced that it was expanding its industry-academia program PRISM (Preparing and Inspiring Student Minds) across 70 engineering colleges in India. The program will help educate students in the domains of artificial intelligence, machine learning and IoT.</li> </ul>	<ul style="list-style-type: none"> <li>• In March 2022, Toyota launched its Mirai hydrogen fuel cell car in India. The Indian Oil Corporation would be supplying hydrogen to power the car.</li> </ul>

1. Collaboration	2. Technology Business Incubator (TBI)	3. National Supercomputing Mission	4. Artificial Intelligence	5. Hydrogen Fuel Cell fitted car
technology bilateral cooperation and strengthen efforts on research and innovation.	inaugurated the Gyan Circle Ventures, a MeitY funded Technology Business Incubator of Indian Institute of Information Technology, Sri City (Chittoor), Andhra Pradesh, to foster innovation and entrepreneurial spirit in institutions.		<ul style="list-style-type: none"> <li>In October 2021, the Karnataka government announced the establishment of a Centre of Excellence (CoE) for artificial intelligence and data engineering at Hubballi to promote innovation and technology in the country.</li> </ul>	

*Source: Science, Technology and Innovation News Articles*

## HEALTHCARE

### EXECUTIVE SUMMARY

#### FOURTH-LARGEST EMPLOYER

India climbed to the 63rd rank among 190 countries in the World Bank's 'Ease of Doing Business' rankings in 2020.

As of 2021, the Indian healthcare sector is one of India's largest employers as it employs a total of 4.7 million people. The sector has generated 2.7 million additional jobs in India between 2017-22 -- over 500,000 new jobs per year.

The Asian Research and Training Institute for Skill Transfer (ARTIST) announced plans to create around one million skilled healthcare providers by 2022.

#### IMPRESSIVE GROWTH PROSPECTS

The Indian healthcare sector is expected to record a three-fold rise, growing at a CAGR of 22% between 2016–22 to reach US\$ 372 billion in 2022 from US\$ 110 billion in 2016.

As of November 24, 2022, more than 219.88 crore COVID-19 vaccine doses have been administered across the country.

By FY22, Indian healthcare infrastructure is expected to reach US\$ 349.1 billion.

#### STRONG FUNDAMENTALS AND COST ADVANTAGE

Rising income levels, an ageing population, growing health awareness and a changing attitude towards preventive healthcare is expected to boost healthcare services demand in the future.

The low cost of medical services has resulted in a rise in the country's medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research.

## **FAVOURABLE INVESTMENT ENVIRONMENT**

Conducive policies for encouraging FDI, tax benefits, and favourable Government policies coupled with promising growth prospects have helped the industry attract private equity (PE), venture capitals (VCs) and foreign players.

## **ADVANTAGE INDIA**

### **Strong Demand**

- Rising income, greater health awareness, lifestyle diseases and increasing access to insurance will contribute to growth.
- The healthcare sector, as of 2021, is one of India's largest employers, employing a total of 4.7 million people.

### **Attractive Opportunities**

- The Government of India aims to increase healthcare spending to 3% of the Gross Domestic Product (GDP) by 2022.
- Two vaccines (Bharat Biotech's Covaxin and Oxford-AstraZeneca's Covishield manufactured by the Serum Institute of India) were instrumental in medically safeguarding the Indian population and those of 100+ countries against COVID-19.

### **Policy And Government Support**

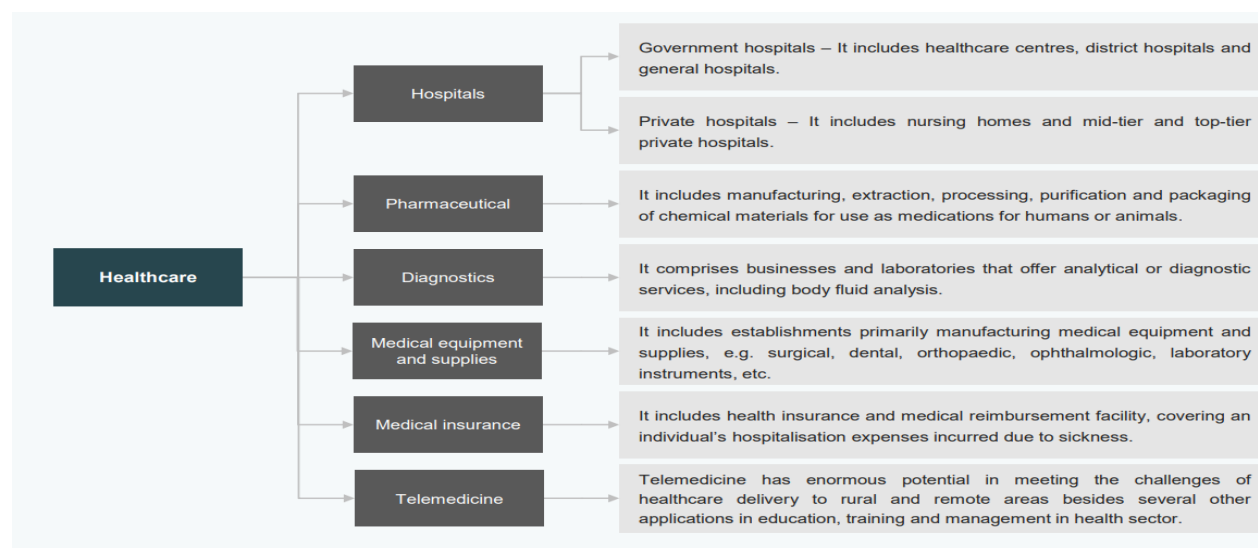
- The Government aims to develop India as a global healthcare hub.
- Public health surveillance in India will further strengthen the health systems.
- In the Union Budget 2022-23, the government allocated Rs. 86,200.65 crore (US\$ 11.28 billion) to the Ministry of Health and Family Welfare (MoHFW).
- In March 2021, the Parliament passed the National Commission for Allied & Healthcare Professions Bill 2021, which aims to create a body that will regulate and maintain educational and service standards for healthcare professionals.

### **Rising Manpower**

- Availability of a large pool of well- trained medical professionals in the country.
- The number of allopathic doctors with recognised medical qualifications (under the I.M.C Act) registered with state medical councils/national medical council increased to 1.3 million in November 2021, from 0.83 million in 2010.

**Source:** KPMG, Deloitte, Hospital Market – India by Research on India, Frost and Sullivan, LSI Financial Services, 'Report on Healthcare, Telemedicine and Medical Tourism in India'- ASA and Associates LLP, Indian Journal of Public Health

## THE HEALTHCARE MARKET FUNCTIONS THROUGH FIVE SEGMENTS



Source: Hospital Market – India by Research on India

### Strong Growth In Healthcare Expenditure Over The Years

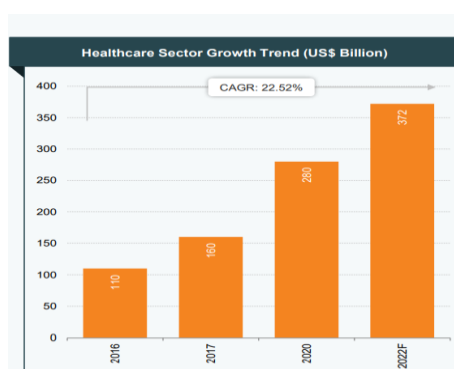
Healthcare has become one of India's largest sectors, both in terms of revenue and employment. The industry is growing at a tremendous pace owing to its strengthening coverage, service and increasing expenditure by public as well private players.

Between 2016–22, the market is expected to record a CAGR of 22.52%.

The total industry size is estimated to reach US\$ 372 billion by 2022.

The e-health market size is estimated to reach US\$ 10.6 billion by 2025.

In November 2021, the Government of India, the Government of Meghalaya and the World Bank signed a US\$ 40 million health project for the state of Meghalaya. This project will improve the quality of health services and strengthen the state's capacity to handle future health emergencies, including the COVID-19 pandemic.



Note: F – Forecast

Source: Frost and Sullivan, LSI Financial Services, Deloitte

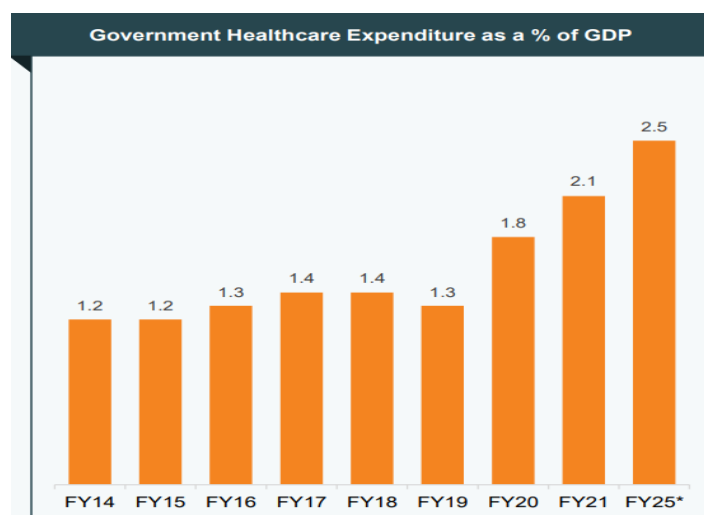
### PER CAPITA HEALTHCARE EXPENDITURE HAS RISEN AT A FAST PACE

This is due to rising income, easier access to high-quality healthcare facilities and greater awareness of personal health and hygiene.

Greater penetration of health insurance aided the rise in healthcare spending, a trend likely to intensify in the coming decade.

Economic prosperity is driving the improvement in affordability for generic drugs in the market.

In the Economic Survey of 2022, India's public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020- 21 and 1.3% in 2019-20. The Government is planning to increase public health spending to 2.5% of the country's GDP by 2025.

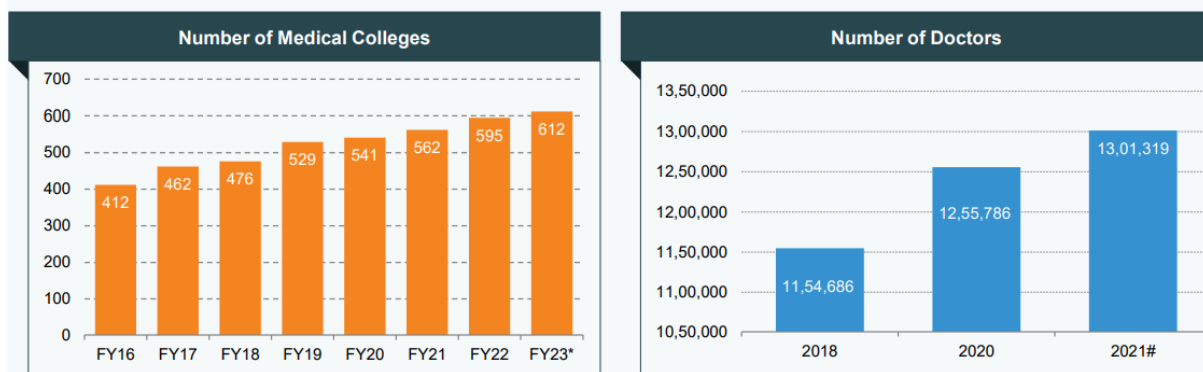


*Note: \* - Forecast*

*Source: World Bank, Economic Survey FY20*

## HEALTHCARE INFRASTRUCTURE HAS RISEN AT A FAST PACE

- India's medical educational infrastructure has grown rapidly in the last few decades.
- By FY22, Indian healthcare infrastructure is expected to reach US\$ 349.1 billion.
- As of July 2022, the number medical colleges in India stood at 612.
- The number of allopathic doctors, with recognised medical qualifications (under the I.M.C Act), registered with state medical councils/national medical council increased to 1.3 million in November 2021, from 0.83 million in 2010.
- As per information provided to the Lok Sabha by the Minister of Health & Family Welfare, Dr. Bharati Pravin Pawar, the doctor population ratio in the country is 1:834, assuming 80% availability of 12.68 lakh registered allopathic doctors and 5.65 lakh AYUSH doctors.
- Multinational healthcare company Abbott has committed to converting 75 Primary Health Centers (PHCs) to Health and Wellness Centers (HWCs) in nine Indian States, in collaboration with Americares India Foundation, a nonprofit organisation dedicated to relief and development in the field of health. This will benefit over 2.5 million people from under-resourced communities every year.



Source: National Health Profile 2019; \*As of August 2022, # As of November, 2021

## NOTABLE TRENDS IN THE INDIAN HEALTHCARE SECTOR

### Shift from communicable to lifestyle diseases.

With increasing urbanisation and problems related to modern-day living in urban settings, currently about 50% of spending on in-patient beds is for lifestyle diseases – this has increased the demand for specialised care. In India, lifestyle diseases have replaced traditional health problems.

Most lifestyle diseases are caused by high cholesterol, high blood pressure, obesity, poor diet and alcohol.

### Expansion to Tier II and Tier III cities

Vaatsalya Healthcare is one of the first hospital chains to start focus on tier II and tier III cities for expansion.

To encourage the private sector to establish hospitals in these cities, the Government has relaxed taxes on these hospitals for the first five years.

### Emergence of telemedicine

Telemedicine is a fast-emerging sector in India. Virtual care - constituting teleconsult, telepathology, teleradiology and epharmacy - is experiencing a stimulus in India. Major hospitals (Apollo, AIIMS, Narayana Hrudayalaya) have adopted telemedicine services and entered into a number of PPPs.

In September 2020, according to a study (survey of consumers, doctors and stakeholders from pharma companies and global EY research) by EY, in collaboration with the Indian Pharmaceutical Alliance, the domestic telemedicine market is expected to reach US\$ 5.5 billion by 2025.

By March 25, 2022, the Health Ministry's eSanjeevani telemedicine service crossed 3 crore tele-consultations. Moreover, eSanjeevani telemedicine set a new record by completing over 1.7 lakhs consultations in a single day.

Note: PPP is Public – Private Partnerships

Source: IRDA, CII, Grant Thornton, Gartner, Technopak, News Articles

### Rising adoption of artificial intelligence (AI)

Rising adoption of AI-based applications has enabled people to talk directly to doctors, physicians, and get expertise for the best treatment.

It is also capable of solving problems of patients, doctors, and hospitals, as well as the overall healthcare industry. In April 2021, Tata Trust's initiative called India Health Fund (IHF) announced the onboarding of two AI start-ups—TrakItNow Technologies - an IoT and AI-based solution that is in development stage with immense potential to impact mosquito borne diseases, and Stellar Diagnostics (SDIL).



## **Introduction of digital vaccine delivery platform**

In December 2020, a new COVID-19 vaccine delivery digital platform called 'CoWIN' was prepared to deliver vaccines. As a beneficiary management tool with different modules, this user-friendly mobile app for recording vaccine data is in the process of establishing the 'Healthcare Workers' database, which is in an advanced stage across all states/UTs.

In July 2021, India made its COVID-19 vaccination platform, CoWIN, open source for all countries. Almost 76 countries have displayed interest in leveraging the CoWIN platform to manage their national COVID-19 vaccination drives.

## **Increasing penetration of health insurance**

In FY21, gross healthcare insurance stood at 29.5% of the overall gross direct premium income by non-life insurers segment.

Health insurance is gaining momentum in India. Gross direct premium income underwritten by health insurance companies grew 13.3% YoY in FY21 to Rs. 58,572.46 crore (US\$ 7.9 billion).

In June 2021, the government announced that the 'Pradhan Mantri Garib Kalyan Package (PMGKP) Insurance Scheme for Health Workers Fighting COVID-19', which was launched in March 2020, has been extended for one more year. The insurance scheme provides comprehensive personal accident cover of Rs. 50 lakh (US\$ 68,189.65) to all healthcare providers, including community health workers and private health workers. It was drafted by the government for the care of COVID-19 patients and those who may have come in direct contact with COVID-19 patients and were at risk of being infected by the virus. The scheme is being implemented through New India Assurance Company (NIACL).

*Source: News Articles*

## **Focus on universal immunization programmes (UIP)**

As of December 2020, under universal immunization programmes, ~1.54 lakh ANMs (auxiliary nurse midwives) are operating as COVID-19 vaccinators. For further expansion of vaccinators, the government plans to take collaborative effort with states and UTs.

## **Technological initiatives**

Digital Health Knowledge Resources, Electronic Medical Record, Mobile Healthcare, Electronic Health Record, Hospital Information System, PRACTO, technology-enabled care, telemedicine and Hospital Management Information Systems are some of the technologies gaining wide acceptance in the sector.

In June 2021, the Uttar Pradesh government announced the introduction of automatic medicine dispensing machines to expand the primary healthcare industry and clinical centres in the country. The state health department has been nominated to design an action plan and install 'Health ATMs' walk-in medical kiosks, with combined medical devices for basic laboratory testing, emergency offerings, cardiology, neurology, pulmonary and gynaecology testing services that will be operated by a medical assistant in all 75 districts of Uttar Pradesh.

In June 2021, AstraZeneca India signed a memorandum of understanding (MoU) with Docon Technologies, a Bengaluru-based health startup, to digitise 1,000 clinics across India by implementing customised electronic medical record (EMR) systems in clinics to offer doctors access to a patient's complete medical history.

In December 2021, Eka Care became the first CoWIN-approved organization in India, through which users could book their vaccination slot, download their certificate and even create their Health IDs.

*Source: News Articles*

## **COVID-19 FIGHTBACK FROM THE INDIAN HEALTHCARE SECTOR**

### **Export of the COVID-19 vaccine and drugs**

As of November 16, 2022, India has exported 28.13 crore vaccine doses.

Minister of Health & Family Welfare, Chemicals and Fertilizers, Mr. Mansukh Mandaviya, stated that 96 countries have agreed to mutual recognition of COVID-19 vaccination certificates with India.

### **COVID-19 Vaccination**

As of November 24, 2022, more than 219.88 crore COVID-19 vaccine doses have been administered across the country.

On September 17, 2021, India set a record with 2.5 crore COVID-19 jabs in one day.

In March 2022, Hyderabad-based pharmaceutical company Biological E applied for emergency use authorisation (EUA) for its COVID-19 vaccine Corbevax for the 5-12 year age group.

In January 2022, Phase 3 trials commenced of India's first intranasal vaccine against COVID-19 that is being developed by Bharat Biotech, in conjunction with the Washington University School of Medicine in St Louis, the US.

### **Collaboration**

In September 2021, Biocon Biologics Limited, a subsidiary of Biocon, announced a strategic alliance with Serum Institute Life Sciences, a subsidiary of Serum Institute of India (SII). The alliance is expected to strengthen India's position as a global vaccine and biologics manufacturing powerhouse.

In September 2021, the Telangana government, in a joint initiative with the World Economic Forum, NITI Aayog and HealthNet Global (Apollo Hospitals), launched the 'Medicine from the Sky' project. The project will pave the way for drone delivery of life saving medicines and jabs in far-flung regions of the country.

In September 2021, a memorandum of understanding (MoU) was signed between the Pharmacopoeia Commission for Indian Medicine & Homoeopathy (PCIM&H) and American Herbal Pharmacopoeia, the US, for strengthening the quality of Ayurvedic and other Indian traditional medicine products worldwide and enhancing their export potential, especially to the US market.

*Notes: R&D - Research and Development*

*Source: News Articles*

## **STRATEGIES ADOPTED**

### **Cost Leadership**

Private players in the industry are making their supply chains efficient and leveraging economies of scale to reduce cost. One such example is Narayan Hrudayalaya (NH), where healthcare is provided at an affordable cost. NH reduces cost by high procurement of medical supplies, high-volume by high capacity utilization, staff productivity and good human capital management (i.e. training).

### **Differentiation And Diversified Business Approach**

Players in the industry are trying to differentiate themselves by providing multiple healthcare services under one roof.

Offering a range of healthcare and wellness services under a single brand has become a trend. Patients and healthcare services-seekers find it convenient. Demand of such arrangements boosts the healthcare sector.

### **Co-Development**

Key players in the industry are focusing on start-ups for co-developing innovative healthcare solutions. In December 2020, a cohort of six health-tech start-ups - AarogyaAI, BrainSightAI, Fluid AI, InMed Prognostics, Wellthy Therapeutics and Onward Assist - were selected by the India Edison Accelerator. This start-up partnership programme focused on Indian mentors, creating strategic partners to co-develop healthcare solutions.

## **Mergers & Acquisitions (M&A)**

The healthcare and pharmaceutical sector in India had M&A activity worth US\$ 4.32 billion in the first half of 2022.

In November 2021, Flipkart Group announced its foray into the healthcare sector through the launch of Flipkart Health+. As part of this development, Flipkart has signed definitive agreements to acquire a majority share in Sastasundar Marketplace Limited, which owns and operates SastaSundar.com, an online pharmacy and digital healthcare platform.

In June 2021, PharmEasy acquired a majority stake in Thyrocare Technologies, a diagnostics chain, to diversify and bolster its testing business.

*Source: PE Roundup – 1H2018 & Jun '18 report by EY, News Articles*

## **Indian Healthcare Sector Is Poised To Grow**

### **Growing Demand**

Rising income and affordability.

Growing elderly population, changing disease patterns.

Rise in medical tourism.

Better awareness of wellness, preventive care and diagnosis.

### **Policy Support**

Encouraging policies for FDI in the private sector.

Reduction in customs duty and other taxes on life-saving equipment.

NRHM allocated US\$ 10 billion for healthcare facilities.

National Health Insurance Mission to cover entire population.

### **Focus**

Expanding R&D and distribution facilities in India.

Use of modern technology.

Providing support to global projects from India.

### **M&A**

Rising FDI and private sector investment.

Lucrative M&A opportunities.

Foreign players setting up R&D centres and hospitals in India.

*Note: FDI – Foreign Direct Investment, M&A - Mergers and Acquisitions NRHM - National Rural Health Mission*

*Source: Ministry of Health and Family Welfare, Government of India*

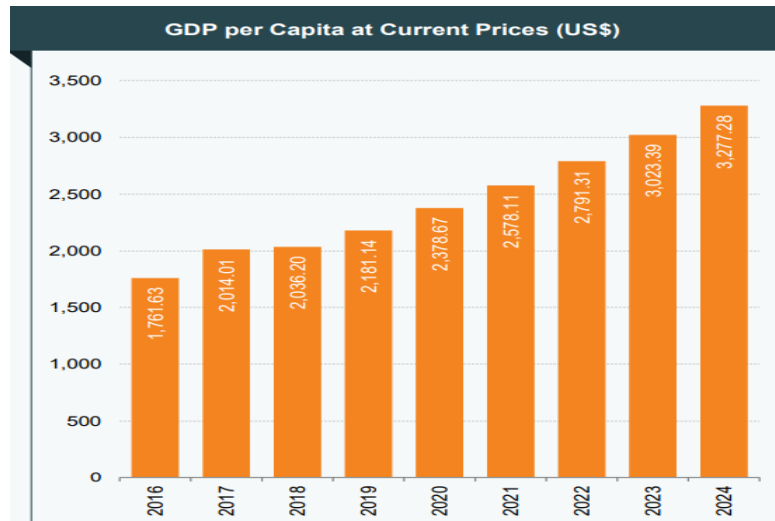
## **Rising Income, Ageing Population To Be Key Healthcare Demand Driver**

Rising income means a steady growth in the ability to access healthcare and related services.

Per capita GDP of India is expected to reach US\$ 3,277.28 in 2024 from US\$ 1,761.63 in 2016.

Moreover, changing demographics will also contribute to greater healthcare spending. This is likely to continue as the size of elderly population is set to rise from the current 98.9 million to about 168 million by 2026.

Per capita GDP at current prices for FY20 stood at US\$ 2,181.14



*Source: International Monetary Fund, World Economic Outlook Database, April 2018*

### Medical Tourism: A New Growth Factor For India's Healthcare Sector

Presence of world-class hospitals and skilled medical professionals has strengthened India's position as a preferred destination for medical tourism.

Superior quality healthcare coupled with low treatment costs in comparison to other countries is benefitting Indian medical tourism, and in turn, has enhanced prospects for the Indian healthcare market.

Treatment for major surgeries in India costs approximately 20% of that in developed countries.

India also attracts medical tourists from developing nations due to lack of advanced medical facilities in many of these countries.

Indian medical tourism market was valued at US\$ 2.89 billion in 2020 and is expected to reach US\$ 13.42 billion by 2026.

According to India Tourism Statistics at a Glance 2020 report, around 697,300 foreign tourists came for medical treatment in India in FY19, which was nearly 7% of the total international tourists who visited the nation.

India has been ranked 10<sup>th</sup> in the Medical Tourism Index (MTI) for 2020-21 out of 46 destinations by the Medical Tourism Association.

Yoga, meditation, ayurveda, allopathy and other traditional methods of treatment are major service offerings that attract medical tourists from European nations and the Middle East to India.

The Government of India liberalised its policy by providing 100% FDI in the AYUSH sector for the wellness and medical tourism segment.

By mid-2022, a new AIIMS in Rajkot covering ~201 acres of land is expected to be established at an estimated cost of Rs. 1,195 crore (US\$162.69 million). The facility will have a 30-bed AYUSH block and a 750-bed hospital. It will also have 125 seats for MBBS and 60 seats for a nursing programme.

With a vision to promote the Medical and Wellness Tourism in India, the Ministry of Tourism established the 'National Medical & Wellness Tourism Board' in July 2021. The board will operate as an umbrella organisation with the goal of promoting all types of medical tourism. Yoga and Ayurveda tourism would also be promoted, along with any alternative form of medicine under the Indian system of medicine that is covered under AYUSH. The Ministry of Tourism has also published a draft of the 'National Strategy and Roadmap for Medical and Wellness Tourism', which aims at providing governance and developmental framework for medical and wellness tourism.

In order to promote medical tourism in the country, the government of India is extending the e-medical visa facility to the citizens of 156 countries.

*Source: Ministry of Health, RNCOS, KPMG, Deloitte, Medical Tourism Association, LSI Financial Services, Apollo Investor Presentation, News Article*

## **Re-Emergence Of Traditional Medical Care**

### **Market size and services offered**

The Indian ayurvedic industry is expected to reach US\$ 9 billion by 2022.

Ayurveda and Unani medicines consist of more than 90% of plant based formulations.

The sector has broadened its offerings and now includes services on diet and nutrition, yoga, herbal medicine, humour therapy and spa.

### **Leading brands and players**

Many big players such as Apollo, VLCC and Manipal Group are setting up wellness centres across India with traditional healthcare remedies as the focus of their offerings.

### **Developing infrastructure**

In January 2021, the PM Cares fund allocated Rs.201.58 crore (US\$ 27.55 million) for the construction of 162 additional dedicated pressure swing adsorption medical oxygen generation plants inside the country's public health facilities.

In July 2021, the Union Cabinet approved continuation of the National Ayush Mission, responsible for the development of traditional medicines in India, as a centrally sponsored scheme until 2026.

## **Recent Developments**

In the Union Budget 2022, the Ministry of AYUSH was allocated Rs. 3,050 crore (US\$ 400.76 million), up from 2,970 crore (US\$ 407.84 million) in 2021.

In November 2022, six pharmaceutical companies were chosen by the Indian Council of Medical Research to produce monkeypox vaccines - Serum Institute of India, Biological E, Dr.Reddy's Laboratories, Hester Bioscience Ltd., Indian Immunologicals Ltd., and Reliance Life Sciences.

In July 2022, the Indian Council of Medical Research (ICMR) released standard treatment guidelines for 51 common illnesses across 11 specialties to assist doctors, particularly in rural regions, in diagnosing, treating, or referring patients in time for improved treatment outcomes.

## **Notable trends**

The traditional medical sector is developing a traditional knowledge digital library to prevent companies from claiming patents on such remedies. There is a growing interest from numerous PE firms in the traditional healthcare sector in India.

*Notes: AYUSH - Ayurveda, Yoga, Naturopathy, Unani, Siddha and Homoeopathy, MoU – Memorandum of Understanding  
Source: Ministry of Health, Make in India, RNCOS, KPMG, Ayurveda Industry Market Size, Strength and Way Forward report by Confederation of Indian Industry (CII), News Articles*

## **Policy Support And Government Initiatives**

### **Pradhan Mantri Jan Arogya Yojana (PMJAY)**

The government announced Rs. 64,180 crore (US\$ 8.80 billion) outlay for the healthcare sector over six years in the Union Budget 2021- 22 to strengthen the existing 'National Health Mission' by developing capacities of primary, secondary and tertiary care, healthcare systems, and institutions for detection and cure of new & emerging diseases.

#### **Tax incentives**

All healthcare education and training services are exempted from service tax.

Increase in tax holiday under section 80-IB for private healthcare providers in non-metros for minimum of 50 bedded hospitals.

250% deduction for approved expenditure incurred on operating technology enables healthcare services such as telemedicine and remote radiology.

Artificial heart is exempted from basic custom duty of 5%.

Income tax exemption for 15 years for domestically manufactured medical technology products.

The benefit of section 80-IB has been extended to new hospitals with 100 beds or more that are set up in rural areas. Such hospitals are entitled to 100% deduction on profits for 5 years.

#### **Credit incentives for healthcare infrastructure**

The Indian government is planning to introduce a credit incentive programme worth Rs. 500 billion (US\$ 6.8 billion) to boost the country's healthcare infrastructure. The programme will allow firms to leverage the fund to expand hospital capacity or medical supplies with the government acting as a guarantor and strengthen COVID-19-related health infrastructure in smaller towns.

*Source: News Articles*

### **National Nutrition Mission**

The Union Cabinet approved setting up of the National Nutrition Mission (NNM) to monitor, supervise, fix targets and guide the nutrition related interventions across ministries.

The programme is planning to reduce the level of stunting by 2%, under-nutrition 2%, anaemia by 3% and low birth babies by 2% every year.

Over 100 million people are expected to be benefited by this programme – all states and districts will be covered within the programme.

In the Union Budget 2021-22, the government announced its plans to launch 'Mission Poshan 2.0' to merge 'Supplementary Nutrition Programme' with 'Poshan Abhiyan' (Nutrition Mission) in order to improve nutritional outcomes across 112 aspirational districts.

### **Liberalised Pricing & Accelerated National COVID-19 Vaccination Strategy**

The Liberalised Pricing & Accelerated National COVID-19 Vaccination Strategy was implemented on May 1, 2021. As part of the strategy, every month, 50% of the total vaccine doses that have been cleared by the Central Drugs Laboratory (CDL) will be procured by the Government of India (GOI), which will provide those vaccines to the State Governments at no cost. In addition, the remaining 50% of the vaccine doses will be available for direct procurement by the State Governments and private hospitals.

## **National Health Mission (NHS)**

The Government of India approved continuation of 'National Health Mission' with a budget of Rs. 37,000 crore (US\$ 4.85 billion) under the Union Budget 2022-23.

*Source: News Articles*

## **Incentives in the medical travel industry**

Incentives and tax holidays are being offered to hospitals and dispensaries providing health travel facilities. Senior citizens above 80 years of age will be allowed deduction of US\$ 491 towards medical expenditure if they are not covered under health insurance.

## **Universal health**

The Union Budget 2021 announced the launch of 'Jal Jeevan Mission' (Urban) to achieve universal health. The mission is aimed at universal supply of water to all 4,378 urban local bodies, with 2.86 crore household tap connections, and management of liquid waste in 500 AMRUT cities. It will be executed with an outlay of Rs. 287,000 crore (US\$ 39.41 billion) over five years.

## **Tele-medicine initiatives**

State Telemedicine Network (STN): The states and union territories have been provided support under the National Health Mission (NHM) under Program Implementation Plan (PIP) to create a reliable, ubiquitous and high speed network backbone.

In May 2021, Minister of Defence, Mr. Rajnath Singh, launched 'Services e-Health Assistance & Tele-consultation (SeHAT)' OPD portal to provide telemedicine services to armed forces personnel and veterans.

The eSanjeevani telemedicine programme run by the Health Ministry has performed 3 crore teleconsultations as of March 25, 2022. Additionally, eSanjeevani telemedicine accomplished more than 1.7 lakh consultations in a single day, breaking a previous record.

*Source: News Articles*

## **Bilateral ties**

In September 2021, the 4th Indo-US Health Dialogue was hosted by India. The two-day dialogue leveraged as a platform to deliberate upon multiple ongoing collaborations in the health sector between the two countries.

In September 2021, the All India Institute of Ayurveda, under the Ministry of AYUSH, signed a MoU, in coordination with the NICM Western Sydney University Australia, to appoint an Academic Chair in Ayurveda. The new Academic Chair will undertake academic and collaborative research activities in Ayurveda, including herbal medicine and yoga, and design academic standards and short- term/medium-term courses and educational guidelines.

## **Single window system**

The Drug Controller General of India (DCGI) has proposed to set up a single window system for start-ups and innovators seeking approvals, consents, and information regarding regulatory requirement.

## **Medical institutions**

In May 2022, the Union Government approved grants for five new medical colleges in Gujarat with a grant of Rs. 190 crore (US\$ 23.78 million) each. These colleges will come up in Navsari, Porbandar, Rajpipla, Godhra and Morbi.

In September 2021, Prime Minister Mr. Narendra Modi laid the foundation stone for four new medical colleges in the Banswara, Sirohi, Hanumangarh & Dausa districts of Rajasthan.

*Source: Union Budget 2020-21, News Articles*

## **Union Budget 2022–23**

Under the Union Budget 2022-23, the Ministry of Health and Family Welfare has been allocated Rs. 86,200 crore (US\$ 11.29 billion), an increase of 16.5% compared to Rs. 73,932 crore (US\$ 9.69 billion) in 2020-21.

Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was allocated Rs. 10,000 crore (US\$ 1.31 billion)

Human Resources for Health and Medical Education was allotted Rs. 7,500 crore (US\$ 982.91 million).

National Health Mission was allotted Rs. 37,000 crore (US\$ 4.84 billion).

Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allotted Rs. 6,412 crore (US\$ 840.32 million).

## **Establishment of health system capacities at airports under the AatmanirbharSwasth Bharat Yojana**

In the Union Budget 2021, the government proposed enhancement of the country's potential for health systems, which included entry points for aviation. It planned to strengthen the public health units at 32 airports under the Aatmanirbhar Swasth Bharat Yojana scheme. This programme would promote smooth movement of pharmaceuticals through India and other parts of the world by air.

*Source: Union Budget 2022–23*

## **Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)**

In the Union Budget 2022-23, Rs. 10,000 crore (US\$ 1.31 billion) was allocated to the scheme.

The Government of India will use this money to boost the medical education infrastructure of the country and set up AIIMS across the country.

## **‘Vision 2035: Public Health Surveillance in India’**

To make the public health surveillance system in India more flexible and predictive to strengthen action preparedness at all levels.

A citizen-friendly public health surveillance system, supported by a consumer feedback process, would ensure individual privacy and confidentiality.

To improve data-sharing system for effective disease control between the Centre and states.

India aims to provide regional and international leadership in managing events of global concern, which constitute a public health emergency.

## **PM Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)**

In the Union Budget 2022-23, Rs. 5,156 crore (US\$ 675.72 million) was allocated to the newly announced PM-ABHIM to strengthen India's health infrastructure and improve the country's primary, secondary and tertiary care services.

*Source: News Articles, Press Information Bureau*

## ***Ayushman Bharat***

Ayushman Bharat scheme was launched to ensure universal health coverage and provide financial risk protection, assuring quality and affordable essential health services to all individuals.

As of November 18, 2021, 80, 136 Ayushman Bharat-Health and Wellness Centres (AB-HWCs) are operational in India.



In August 2022, Edelweiss General Insurance partnered with the Ministry of Health, Government of India to help Indians generate their Ayushman Bharat Health Account (ABHA) number.

In July 2022, the World Bank approved a US\$ 1 billion loan towards India's Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission.

September 2021, Prime Minister Mr. Narendra Modi launched the Ayushman Bharat Digital Mission. The mission will connect the digital health solutions of hospitals across the country with each other. Under this, every citizen will now get a digital health ID and their health record will be digitally protected.

In February 2021, Prime Minister Mr. Narendra Modi laid the foundation stones for two hospitals and launched 'Asom Mala', a programme for state highways and major district roads, in Assam. He stated that 1.25 crore people in the state are being benefitted from the Ayushman Bharat Scheme.

### **Digital India Initiative**

As of November 18, 2021, 638 e-Hospitals were established across India as part of the central government's 'Digital India' initiative.

*Source: News Articles, Press Information Bureau*

### **Free Covid Vaccine For Healthcare Workers**

In the Phase 1 of COVID-19 vaccination drive, free vaccines were provided across the country to the prioritised beneficiaries that included 10 million healthcare and 20 million frontline workers.

### **Intensified Mission Indradhanush (IMI) 3.0**

In March 2021, various states and UTs started implementation of the 'Intensified Mission Indradhanush 3.0' - a campaign aimed to reach those children and pregnant women who were missed out or have been left out of the routine immunisation programme due to the COVID-19 pandemic. This is aimed to accelerate the full immunisation of children and pregnant women through a mission mode intervention.

### **National Digital Health Mission (NDHM)**

On August 15, 2020, Prime Minister Mr. Narendra Modi launched the National Digital Health Mission (NDHM) programme, which was developed to provide the necessary support system for integrated digital health infrastructure of the country.

As of May 2021, 11.9 lakh Health IDs have been generated and 3,106 doctors and 1,490 facilities have registered on the platform.

*Source: News Articles, Press Information Bureau*

### **FDI Inflow**

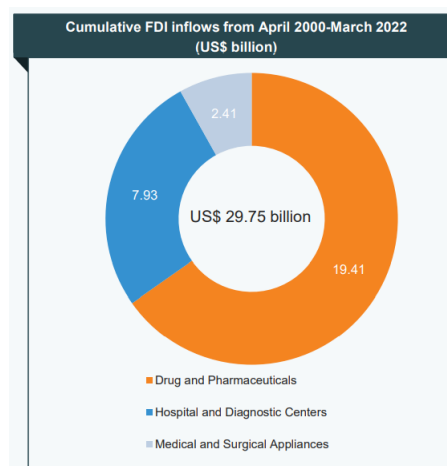
100% FDI is allowed under the automatic route for greenfield projects.

For brownfield project investments, up to 100% FDI is permitted under the government route.

Demand growth, cost advantages and policy support have been instrumental in attracting FDI.

Between April 2000-June 2022, FDI inflow for the drugs and pharmaceuticals sector stood at US\$ 19.90 billion. Inflows in sectors such as hospitals and diagnostic centres and medical and surgical appliances stood at US\$ 8.09 billion and US\$2.71 billion, respectively, between April 2000-June 2022.

In November 2021, Aster DM Healthcare announced that it is planning Rs. 900 crore (US\$ 120.97 million) capital expenditure over the next three years to expand its presence in India, as it looks at increasing the share of revenue from the country to ~40% of the total revenue by 2025.



*Note: FDI – Foreign Direct Investment*

*Source: Department of Industrial Policy and Promotion*

## Opportunities In Healthcare

### Healthcare Infrastructure

Additional three million beds will be needed for India to achieve the target of 3 beds per 1,000 people by 2025. Also, India will have one doctor to every 800 patients by 2030.

Additional 1.54 million doctors and 2.4 million nurses will be required to meet the growing demand for healthcare. 58,000 job opportunities are expected to be generated in the healthcare sector by 2025.

Over US\$ 500 billion is expected to be spent on medical infrastructure by 2030.

Over the years, India has made strategic interventions in the National Health Mission and the national disease control programmes to ensure quality and affordable healthcare for all.

### Research

On January 6, 2021, Dr. Harsh Vardhan, the Minister for Health & Family Welfare, released INDIA REPORT on Longitudinal Ageing Study of India (LASI) Wave-1. He stated that this report will be used to further improve and expand the reach of the 'National Elderly Health Care' network and contribute to the implementation of a spectrum of preventive and healthcare services for the elderly and vulnerable population.

### Health-Tech

India currently holds the fourth position in attracting VC funding to the health-tech sector, with investments of US\$ 4.4 billion between 2016-21, with US\$ 1.9 billion invested in 2021 alone.

In November 2022, diabetes management app BeatO raised US\$ 33 million in its Series B funding round led by impact investor Lightrock India.

Startup HealthifyMe, with a total user base of 30 million people, is adding half a million new users every month and crossed US\$ 40 million ARR in January 2022.

### Medical Devices

The medical devices market is expected to reach US\$ 11 billion by 2022, backed by rising geriatric population, growth in medical tourism and declining cost of medical services.

*Source: News Articles*

## Opportunities in health insurance

A growing middle-class, coupled with rising burden of new diseases, are boosting the demand for health insurance coverage. With increasing demand for affordable and quality healthcare, penetration of health insurance is poised to expand in the coming years.

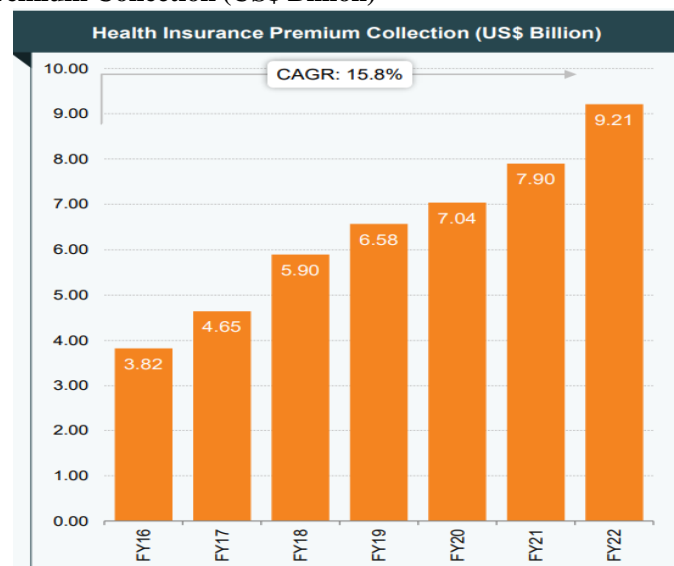
According to data released by Just Dial Consumer Insights, the demand for health insurance in India increased by 321% after COVID, with Star Health, Max Bupa, Aditya Birla, HDFC Ergo, and Acko dominating the top five searched and desired insurance brands.

During April 2021-January 2022, health insurance portfolio of insurers increased by 25.9%, with rise in retail health policies of 17.3% and group policies of 30.1%.

In FY22, premiums underwritten by health insurance companies grew to Rs. 73,582.13 crore (US\$ 9.21 billion). The health segment has a 33.33% share in the total gross written premiums earned in the country.

The number of policies issued to women in FY21 stood at 93 lakh, with one out of every three life insurance policies in FY21 sold to a woman.

By leveraging strategic partnerships, WhatsApp plans to debut opportunities for health insurance and micro-pension products in India. WhatsApp plans to collaborate for the Sachet-Health Insurance Programme with the State Bank of India (SBI) General and plans to work with HDFC Pension to introduce the National Pension Scheme. **Insurance Premium Collection (US\$ Billion)**



Source: GIC, News Article

## BUSINESS OVERVIEW

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section entitled **'Forward-Looking Statements'** on page 17 of this Draft Letter of Offer, for a discussion of the risks and uncertainties related to those statements and also the sections entitled **'Risk Factors'**, **'Industry Overview'**, **'Restated Summary Statement'** and **'Management's Discussion and Analysis of Financial Condition and Results of Operations'** on pages 24, 65, 20, and 175, of this Draft Letter of Offer, respectively, as well as financial and other information contained in this Draft Letter of Offer as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise indicated or unless the context requires otherwise, the financial information included herein is based on our Restated Financial Statements included in this Draft Letter of Offer. For further information, see **'Restated Financial Statement'** on page 124 of this Draft Letter of Offer.

### BUSINESS OVERVIEW

Our Company was incorporated on February 22, 1994, under the Companies Act, 1956 in the name and style as Suketu Fashions Limited as a Public Limited company in the State of Maharashtra. The Company obtained the Certificate of Commencement of Business on March 9, 1994 from the Registrar of Companies, Maharashtra, Mumbai. The Company changed its name from Suketu Fashions Limited to Alan Scott Industries Limited and a fresh Certificate Incorporation was issued by the Registrar of Companies on October 24, 1997. The Company made its maiden public issue in August 1994 and got listed on the OTC Stock Exchange of India. In the initial 7 years since incorporation, our Company had been engaged in manufacturing of designer socks. Our Company had also been selected by the Business Initiative Directions, Madrid, Spain, for the International Platinum Star Award for Quality Commitment in the year 1998. During the said period, our Company was one of the first few companies to introduce the state of the art manufacturing facilities in India. Our Company had also endeavoured and launched its own brand 'ALAN SCOTT' and was in the business of supplying socks to various brands during the period 1994 to 2002. However, in the month of November 2002 the manufacturing facilities of the Company was completely destroyed in fire. In-order to revive the business from the said loss, our Company entered into a joint venture with Delta Galil Limited. But to add up to the crisis, the relations with the joint venture partner became sour and the joint venture was terminated in the year 2006.

The name was again changed to Alan Scott Industries Limited, and a fresh Certificate of Incorporation dated September 9, 2006 was issued by the Registrar of Companies, Maharashtra. After the said termination, our Company tried to enter into film distribution and entertainment business. However, it could not get through remarkably.

In the year 2020, the erstwhile promoters sold off their stake to our current Promoter, who therein post-completion of the aforesaid open offer, took over the management of the Company, and through his and the newly appointed Board's expertise strived and is striving to take the Company on the path of revival. The Company's new management is making all out efforts to enter into the business of manufacturing and distribution of various health and hygiene products and retail business. To keep the identity of each profit centre and ensure governance and transparency, the Company has adopted subsidiary company route and accordingly, the following subsidiaries are incorporated:

- 1) Alan Scott Retail Limited
- 2) Alan Scott Health & Hygiene Limited
- 3) Alan Scott Nanoveu India Limited

### MAIN OBJECT OF OUR COMPANY

1. *To carry on the business of manufacturers, processors, knitters, dyers, colours, bleachers, printers, spinners, doubters, weavers, ginnors, sellers, buyers, importers, exporters, distributors and or otherwise dealers h textiles, garments, garment accessories, hosiery, fabrics, yams of all kinds of whatsoever description like cotton, woollen, silk, art silk, rayon, jute, nylon, polyester, acrylic, viscose, polypropylene, terelene, canvas and all other kind of materials of fashions whether natural or manmade, readymade garments, undergarments, dressmakers, outfitters,*

*designers including men's, women's and children clothing and wearing apparels of every kind, nature, and description.*

2. *To produce, manufacture, refine, develop, process, import, export, sell and distribute all types of bacteriological, biological and herbal disinfectants, products and preparations including but not limited to sanitizer, soaps, washing materials, cleaning agents, toilet articles and toiletries and proprietary articles, used for sanitization, improving and maintaining hygiene and to control and make bacteria and virus free premises, to provides consultancy, advisory- services and services of all types relating to maintenances of hygiene and for this purpose to carry on research/clinical research jointly with individuals, institutions and hospitals.*
3. *To manufacture, buy, sell, import, export, distribute and deal in all types of rredical equipments, apparatus, instruments, tools, and accessories, including but not limited to oxygen oncentrators, ventilators, filters and sprayers, used for maintenance of hygiene and early detection and treatment of various diseases.*
4. *To develop, design. search, innovate, amend, modify, buy, sell, import, expert and deal in all types of computer software, programmes. systems and solutions, hardware and peripherals (including networking, design and implementation), used in providing medical treatment, facilitate creation and storage of medical history of patient and such innovative products and to carry on the business of developing websites, solutions, electronic commerce, known as E- Commerce, electronic mail, internet and other value-added services.*

### **INTELLECTUAL PROPERTY**

As on date of this Draft Letter of Offer, there are no intangible assets, such as intellectual properties registered under the name of our Company.

## PROPERTIES

Our Registered Office and our Subsidiaries from where we operate is located on premises which has been taken on lease by us. Further, there are various land parcels that are held by us on leasehold/ rental basis for the smooth functioning and operation of our Subsidiaries, the details of which are tabled hereunder:

Sr. No.	Particulars of Property	Address	Lessee	Lessor	Rental Per month (₹ in Lakhs)	Lock-in period	Sum insured (₹ in lakhs)	Validity of Agreement
1.	Registered Office of our Company and our Subsidiaries	Unit no.302, Kumar Plaza, 3rd Floor, Near Kalina Masjid, Kalina Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India	Alan Scott Industriess Limited	Jain Business Services	₹0.50 Lakhs plus GST			24 months beginning September 01, 2021, until August 31, 2023
2.	Retail Store 1	First Floor Pacific Mall, SH/1F/11, Village Mauza Jakhan, Rajpur Road Opp. Scholars Home School, Dehradun – 248001, Uttarakhand, India	Alan Scott Retail Limited	Pacific Development Corporation Limited	₹4.34 for first 3 years. Escalation after every 3 years @15% on last paid license fee	1 year from License commencement date	₹75.00	5 years beginning March 01, 2022, until February 28, 2027
3.	Retail Store 2	SCF No.41 Block-B, High Street, VIP Road, Bishanpura, Zirakpur, SAS Nagar – 140603, Punjab, India	Alan Scott Retail Limited	a) Ashok Kumar Bhateja b) Aashish Bhateja	₹0.65 for 3 years	2 years from date of agreement	₹45.00	9 years beginning March 01, 2022, until February 28, 2031
4.	Retail Store 3	SCO NO-6, Bhupindra Road, Patiala – 147001, Punjab, India	Alan Scott Retail Limited	1) Paramjit Kumar Sood 2) Rahul Sood 3) Aakash Sood	₹1.35 with an increase of 5% after every 1 year	18 months from date of commencement of rent	₹130.00	6 years beginning July 15, 2022, until July 14, 2028
5.	Retails Store 4	241 Second Floor, Infiniti Mall CTS No. 1406a/3/9, Link Road, C.T.S. No.1406, A/3/9 Off Link Road, Mala, Malad (West), Mumbai – 400064, Maharashtra, India	Alan Scott Retail Limited	Unique Estates Development Company Limited	₹4.62 for 36 months. ₹5.32 for the remaining period	36 months from September 01, 2022	₹150.00	58 months beginning November 01, 2022, until August 31, 2027

Further, kindly refer to the risk factor described *‘The Registered Office of our Company and our Subsidiaries, and various other operations of our Subsidiaries are located/ carried on land parcels that are not owned by us and are held by us on a leasehold/ rental basis. In the event we lose or are unable to renew such leasehold rights, our business, results of operations, financial condition and cash flows may be adversely affected.’* on page 27 of this Draft Letter of Offer.

## COLLABORATIONS

Except for our Subsidiaries which have been incorporated vide collaborations with experienced industry partners our Company has no other collaborations as on this date of Draft Letter of Offer. For further details kindly refer to the section titled '*Our Subsidiaries*' on page 119 of this Draft Letter of Offer.

Further, kindly refer to the risk factor described '*Our Subsidiaries operate in various facets of industries. Further, since these subsidiaries have been incorporated vide joint venture agreements, pre-mature termination or non-renewal of the said agreements can have an adverse impact on the financial operations of our Company.*', and '*Any decline in the value of investments of our Company, present and future, could have a material adverse effect on our business, results of operations, financial condition and cash flows.*' on pages 25 and 26 of this Draft Letter of Offer.

## INSURANCE

The Company has not taken any insurance. However, policies have been taken by Alan Scott Retail Limited to insure our building, furniture, fittings, office equipment, any other office contents from earthquake, fire, etc. Although, we will take appropriate insurance cover, there can be no assurance that our insurance policies will be adequate to cover the losses which we may incur due to the occurrence of an accident or a mishap.

## HUMAN RESOURCES

Throughout the year under review, the Company continues to make strides towards improving HR processes and practices to build the organisation for long-term sustainability. The Company emphasises on fostering personal growth and development within an environment that promotes professionalism and excellent performance. The Company has focused on developing staff capabilities as this will enable it to achieve higher operational standards.

Following is a department wise employee break-up:

Category	Total
Directors	6
Senior Managerial	2
Marketing	1
Managers	2
<b>Total</b>	<b>11</b>

## HEALTH SAFETY AND ENVIRONMENT

We aim to comply with applicable health and safety regulations and other requirements in our business and our Subsidiaries operations. We have implemented work safety measures to ensure a safe working environment, such measures include general guidelines for health and safety at our offices and maintaining clean and orderly work locations. Our health, safety and environment policy is to:

- Manage and maintain health, safety and ergonomics at the workplace.
- To ensure upkeep and proper housekeeping.
- To review and revise policy regularly.

## STRATEGIZING OF OPPORTUNITIES

Our Company is fulfilling the role of an incubator by doing Strategic partnerships and collaborations with other businesses. partnering with entities having businesses with huge growth potential. These entities currently either have businesses in development stages or businesses that are on the lookout for funding and guidance. Further help in expansion into new markets or regions, Diversification of products and services. Our Company provides them with the required resources and helps them achieve the targeted business growth and envisions deriving its growth from the growth of its incubate Companies.

Our Company is planning to expand its operations PAN India, and is strategizing its growth by:

### **Setting-up stores different cities**

As of now, we have 4 (Four) operational stores of Alan Scott Retail Limited, and our Company is intending to achieve its growth strategy by leasing and operating stores in various cities across India.

### **Aggressive Marketing**

Aggressive marketing is a proactive approach to marketing whereby Promoters, and Key Managerial Personnel, our Company through their experience and brand-reach are deliberating efforts to reach out, connect and engage customers on a frequent basis, for marketing of their existing portfolio, and additionally adding more products to the portfolio.

### **Functional Efficiencies**

We will continue to invest in increasing our functional efficiencies throughout the organization. Our Company intends to improve efficiencies to achieve cost reductions and have a competitive edge over our peers. We believe that this can be achieved through continuous process improvement, customer service and technology development.

## **MARKETING & DISTRIBUTION NETWORK**

In its bid to provide resources to its Incubatee Companies, our Company is developing various channels of marketing & distribution, specialised for each incubate. Our success lies in the strength of our relationship with the investors who have been associated with our Company. We intend to expand our existing customer base by increasing our presence in existing markets and reaching out to other geographical areas.

Our Company intends to focus on following marketing strategies:

- Continuous business development
- Introduction of new range of products

## **OUR STRENGTHS**

### **Experienced Management Team**

Our Company is supported by a dedicated management team with several years of industry experience in their respective domains of sales, marketing, strategy, and finance. Their industry knowledge and understanding also gives us the key competitive advantage enabling us to expand our geographical and customer presence in existing as well as target markets, while exploring new growth avenues. For further details regarding our Key Managerial Personnel, please refer to the chapter titled '*Our Management*' beginning on page 109 of this Draft Letter of Offer.

### **Research and Development**

The Company has experienced and qualified team head which constantly strives for innovations of new products. The team continuously works on research, process improvements and effecting cost efficiencies.



## 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) Managing Director, 1 (One) Executive Director and 1 (One) Director and 3 (Three) 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:

<b>Sureshkumar Pukhraj Jain</b>	
<b>DIN</b>	00048463
<b>Date of Birth</b>	April 12, 1964
<b>Age</b>	58
<b>Address</b>	1101, 11 <sup>th</sup> Floor, Savoy Residency, Tagore Road, Santacruz West, Mumbai – 400054, Maharashtra, India
<b>Nationality</b>	Indian
<b>Designation</b>	Chairman and Managing Director
<b>Term</b>	Liable to retire by rotation
<b>Period of Directorship</b>	March 26, 2021- till date
<b>Other Directorship</b>	<ol style="list-style-type: none"> <li>1. Divella Beverages Private Limited</li> <li>2. Svrk Health Care and Technologies Private Limited</li> <li>3. Alan Scott Health &amp; Hygiene Limited</li> <li>4. Incipient Real Estate Private Limited</li> <li>5. Harvest Agriculture Private Limited</li> <li>6. Sunicon Business Finance Private Limited</li> <li>7. Sun Cap Investment Professionals Private Limited</li> <li>8. Sun Capital Advisory Services Private Limited</li> <li>9. Alan Scott Nanoveu India Limited</li> <li>10. S-Ancial Technologies Private Limited</li> <li>11. Dhiway Networks Private Limited</li> <li>12. Suncap SS Global Ventures Private Limited</li> <li>13. Sunniva Corporate Advisory Private Limited</li> <li>14. Alan Scott Retail Limited</li> <li>15. Vishwakarma Kaushal Kendra</li> <li>16. Metastar Media Private Limited</li> <li>17. Sunicon Ventures LLP</li> </ol>
<b>Qualification</b>	Chartered Accountant, Bachelor's of Commerce
<b>Experience</b>	<p>Mr. Sureshkumar Pukhraj Jain started his professional career in 1986 as a practicing Chartered Accountant taking care of audit and taxation aspects of individual and corporate clients. He carried out this practice till 1993 – for nearly seven years, thereafter ventured to establish a business in an area that few others had ventured into, the area of Capital Markets. He is the founder of Networth Stock Broking Limited., a company listed on the Bombay Stock Exchange since 1994. Mr. Sureshkumar Pukhraj Jain then founded Sun Capital Advisory Services Private Limited, a capital advisory firm and Sun Global Investments Limited, London (FSA Registered). Mr. Sureshkumar Pukhraj Jain's experience and in-depth knowledge about capital markets and exclusive specialized financial services has been the guiding force behind several path-breaking deals with Domestic and International clients.</p>
<b>Occupation</b>	Permanent Employee

Saloni Jain	
<b>DIN</b>	07361076
<b>Date of Birth</b>	August 19, 1989
<b>Age</b>	33
<b>Address</b>	1101, 11th Floor, Savoy Residency, Tagore Road, Santacruz West, Mumbai – 400054, Maharashtra, India
<b>Nationality</b>	Indian
<b>Designation</b>	Additional Director
<b>Term</b>	Up to the date of the ensuing Annual General Meeting of the Company
<b>Period of Directorship</b>	May 20, 2022 till date
<b>Other Directorship</b>	<ol style="list-style-type: none"> <li>1. The Hosteller Hospitality Private Limited.</li> <li>2. Sun Cap Investment Professionals Private Limited.</li> <li>3. Sun Capital Advisory Services Private Limited.</li> <li>4. Suncap SS Global Ventures Private Limited.</li> <li>5. Sunniva Corporate Advisory Private Limited.</li> <li>6. Vishwakarma Kaushal Kendra.</li> <li>7. Incipient Real Estate Private Limited</li> <li>8. Sunicon Ventures LLP</li> </ol>
<b>Qualification</b>	Chartered Accountant, Bachelor's of Commerce
<b>Experience</b>	A decade's experience of working with Sun Capital Advisory Services Private Limited
<b>Occupation</b>	Service

Manoj Iyer	
<b>DIN</b>	08145827
<b>Date of Birth</b>	February 23, 1969
<b>Age</b>	53
<b>Address</b>	Flat No. 11, Plot No. 143, Jyoti Apartment, Opposite Garodia School, Garodia Nagar, Ghatkopar, Mumbai – 400077, Maharashtra, India;
<b>Nationality</b>	Indian
<b>Designation</b>	Executive Director
<b>Term</b>	Liabile to retire by rotation
<b>Period of Directorship</b>	December 15, 2021 till date
<b>Other Directorship</b>	<ol style="list-style-type: none"> <li>1. Alan Scott Health &amp; Hygiene Limited</li> <li>2. Alan Scott Nanoveu India Limited</li> </ol>
<b>Qualification</b>	Diploma in Public Speaking & Personality Development, Certificate of Business Manager's Development Programme.
<b>Experience</b>	More than 28 years' work experience at various senior management levels
<b>Occupation</b>	Permanent Employee

Kumar Subramanian	
<b>DIN</b>	06714912
<b>Date of Birth</b>	June 27, 1954
<b>Age</b>	68
<b>Address</b>	Flat No-A-1202, Sri Sairam Towers, Hafeezpet, Miyapur, Rangareddy – 500049, Andhra Pradesh, India
<b>Nationality</b>	Indian
<b>Designation</b>	Independent Director
<b>Term</b>	Service
<b>Period of Directorship</b>	December 15, 2021 – December 14, 2026
<b>Other Directorship</b>	<ol style="list-style-type: none"> <li>1. S K Y P Consulting India Private Limited</li> <li>2. IGS Management Services Private Limited</li> </ol>
<b>Qualification</b>	Bachelor's in Engineering
<b>Experience</b>	Over 4 decades of work experience including 27 years in infrastructure development and 15 years in manufacturing and marketing of industrial products
<b>Occupation</b>	Self Employed

<b>Gyan Singh Rathore</b>	
<b>DIN</b>	00367067
<b>Date of Birth</b>	March 15, 1963
<b>Age</b>	59
<b>Address</b>	204 Siddhant, M. G Road, Naupada, Thane (West), Mumbai – 400602, Maharashtra, India
<b>Nationality</b>	Indian
<b>Designation</b>	Independent Director
<b>Term</b>	Service
<b>Period of Directorship</b>	December 15, 2021 – December 14, 2026
<b>Other Directorship</b>	Rajasthan Mineral and Marble Private Limited
<b>Qualification</b>	M.Com. (Economics), Post Graduate Diploma in Mass Communication and Journalism
<b>Experience</b>	35 years of experience in business management.
<b>Occupation</b>	Self Employed

<b>Kanti Prasad Jain</b>	
<b>DIN</b>	02894148
<b>Date of Birth</b>	December 01, 1941
<b>Age</b>	81
<b>Address</b>	Bharti A-7, Varsha Park, Baner Road, Pune – 411045, Maharashtra, India
<b>Nationality</b>	Indian
<b>Designation</b>	Independent Director
<b>Term</b>	Service
<b>Period of Directorship</b>	December 15, 2021 – December 14, 2026
<b>Other Directorship</b>	Yarunara Technologies Private Limited
<b>Qualification</b>	Bachelor's in Engineering (Mechanical), Diploma in Finance Management, Business Management and Bearing Technology,
<b>Experience</b>	Around 58 years of experience in various fields of engineering and project development
<b>Occupation</b>	Self Employed

#### **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**

Except for the Directors stated below none of the other Directors are not related to each other, as on the date of this Draft Letter of Offer:

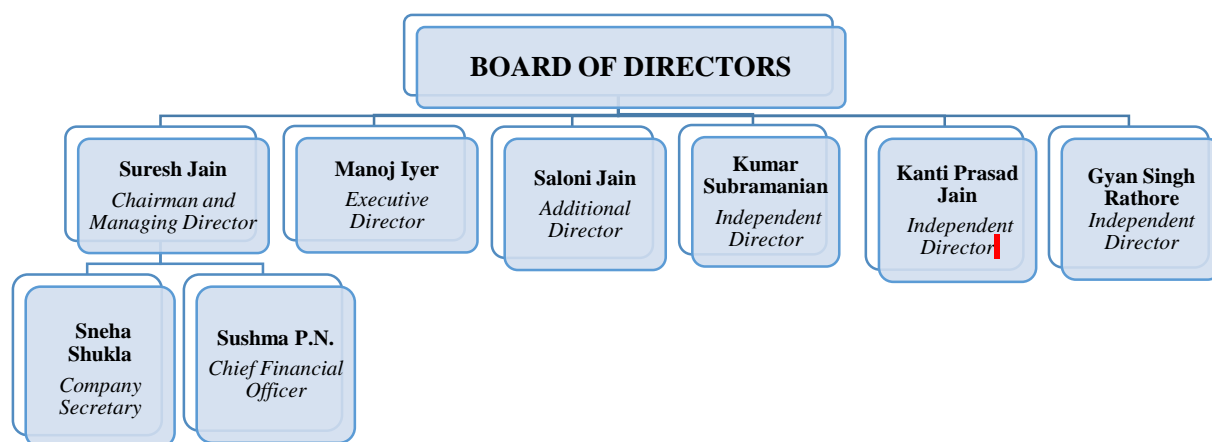
<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Relationship</b>	<b>Name of the Person</b>
1.	Suresh Pukhraj Jain	Father	Saloni Jain
2.	Saloni Jain	Daughter	Suresh Pukhraj Jain

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

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



### CORPORATE GOVERNANCE

The provisions of the SEBI (LODR) Regulations with respect to corporate governance are not applicable to us. We are in compliance with the requirements of the Companies Act, 2013, in respect of corporate governance including in respect of the constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act, 2013 and the provisions of the SEBI (LODR) Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions.

#### Committees of our Board

In addition to the committees of our Board detailed below, our Board may, from time to time constitute committees for various functions.

Audit Committee		
Sr. No.	Name of the Director	Committee Designation
1.	Kanti Prasad Jain	Chairman
2.	Gyan Singh Rathore	Member
3.	Manoj Iyer	Member

The Audit Committee was reconstituted pursuant to a resolution passed by our Board in its meeting held on May 20, 2022 and August, 13, 2022. The scope and functions of the Audit Committee and its terms of reference are in accordance with Section 177 of the Companies Act, 2013 and the SEBI (LODR) Regulations and inter alia, include:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;
- Reviewing and monitoring the statutory auditor's independence and performance , and effectiveness of audit process;
- Approving payments to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;

- iv. Significant adjustments made in the financial statements arising out of audit findings;
- v. Compliance with listing and other legal requirements relating to financial statements;
- vi. Disclosure of any related party transactions; and
- vii. Modified opinion(s) in the draft audit report.
- f) Reviewing, with the management, the quarterly, half -yearly and annual financial statements before submission to the Board for approval;
- g) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds authorized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the authorized proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- h) Approval or any subsequent modifications of transactions of the Company with related parties;
- i) Scrutinising of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the Company, wherever it is necessary;
- k) Evaluating of internal financial controls and risk management systems;
- l) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances
- m) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- n) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- o) Discussing with internal auditors on any significant findings and follow up thereon;
- p) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- q) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- r) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
- s) Reviewing the functioning of the whistle blower mechanism;
- t) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and
- u) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority.
- v) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law.
- w) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee has the following powers:

- 1) to investigate any activity within its terms of reference;
- 2) to seek information from any employee;
- 3) to obtain outside legal or other professional advice; and
- 4) to secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- 1) Management's discussion and analysis of financial condition and results of operations;
- 2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- 3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4) Internal audit reports relating to internal control weaknesses;
- 5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) Statement of deviations:
  - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and

b) annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of the Listing Regulations.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the Listing Regulations.

The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two-third independent directors.

#### **Nomination and Remuneration Committee**

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Committee Designation</b>
1.	Kanti Prasad Jain	Chairman
2.	Kumar Subramanian	Member
3.	Saloni Jain	Member

The Nomination and Remuneration Committee was reconstituted pursuant to a resolution passed by our Board in its meeting held on May 20, 2022 and August, 13, 2022. The scope and functions of the Nomination and Remuneration Committee and its terms of reference are in accordance with Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations and inter alia, include:

- 1) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) Formulating of criteria for evaluation of the performance of the independent directors and the Board;
- 3) Devising a policy on Board diversity;
- 4) Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
- 5) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 6) Analysing, monitoring and reviewing various human resource and compensation matters;
- 7) Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- 8) Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- 9) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 10) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended;
- 11) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.
- 12) Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority'; and
- 13) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

#### **Stakeholders' Relationship Committee**

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Committee Designation</b>
1.	Kanti Prasad Jain	Chairman
2.	Kumar Subramanian	Member
3.	Saloni Jain	Member

The Stakeholders' Relationship Committee was reconstituted pursuant to a resolution passed by our Board in its meeting held on May 20, 2022 and August, 13, 2022. The scope and functions of the Stakeholders' Relationship Committee and its terms of reference are in accordance with Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations and inter alia, include:

- 1) Consider and resolve 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.;
- 2) Review of measures taken for effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- 3) Review of the various 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.
- 4) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- 5) To approve, register, refuse to register transfer or transmission of shares and other securities;
- 6) To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
- 7) Allotment and listing of shares;
- 8) To authorize affixation of common seal of the Company;
- 9) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
- 10) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
- 11) To dematerialize or rematerialize the issued shares;
- 12) Ensure proper and timely attendance and redressal of investor queries and grievances;
- 13) Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
- 14) To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s)

#### KEY MANAGERIAL PERSONNEL

<b>Mr. Sureshkumar Pukhraj Jain</b>	
<b>Designation</b>	Chairman and Managing Director
<b>Date of Joining</b>	April 12, 1964
<b>Qualification</b>	Chartered Accountant, Bachelor's of Commerce
<b>Term</b>	Liabile to retire by rotation
<b>Period of Directorship</b>	March 26, 2021- till date
<b>Service Contracts</b>	Appointment for 5 years
<b>Retirement and Termination Benefits</b>	Nil
<b>Previous Employment</b>	Indian
<b>Business Experience</b>	Mr. Sureshkumar Pukhraj Jain started his professional career in 1986 as a practicing Chartered Accountant taking care of audit and taxation aspects of individual and corporate clients. He carried out this practice till 1993 – for nearly seven years, thereafter ventured to establish a business in an area that few others had ventured into, the area of Capital Markets. He is the founder of Networth Stock Broking Limited., a company listed on the Bombay Stock Exchange since 1994. Mr. Sureshkumar Pukhraj Jain then founded Sun Capital Advisory Services Private Limited, a capital advisory firm and Sun Global Investments Limited, London (FSA Registered). Mr. Sureshkumar Pukhraj Jain's experience and in-depth knowledge about capital markets and exclusive specialized financial services has been the guiding force behind several path-breaking deals with Domestic and International clients.
<b>Description of the Functional Role in the Company</b>	Managing Director



<b>Mr. Sureshkumar Pukhraj Jain</b>	
<b>Area of experience and expertise in the Company</b>	Under his able leadership, the company has orchestrated hundreds of processes extracting billions in transaction value for clients through transactions in the field of Equities, Fund Raising, Structured Finance, Strategic Restructuring and Management Advisory.
<b>Family Relationship</b>	Father of Ms. Saloni Jain, Additional Director the Company
<b>Employment Status</b>	Permanent Employee

<b>Mr. Manoj Iyer</b>	
<b>Designation</b>	Executive Director
<b>Date of Joining</b>	December 15, 2021
<b>Qualification</b>	Diploma in Public Speaking & Personality Development, Certificate of Business Manager's Development Programme.
<b>Term</b>	Liable to retire by rotation
<b>Period of Directorship</b>	December 15, 2021 till date
<b>Service Contracts</b>	No
<b>Retirement and Termination Benefits</b>	Provident Fund
<b>Previous Employment</b>	Mr. Manoj Iyer started his career in 1991 as a Manager in Sales at Business Power Enterprises. He then went to become the Business Head in the year 1994 at Impact Group of Companies and then the Senior Manager in the year 2002 at Old Mutual Kotak Mahindra. He has worked as the Deputy General Manager at Bharti Airtel Limited and Zonal Head at ICICI Prudential. Further he was the Vice President & Zonal Business Head at Future Generali in the year 2008. He was associated with Tata Teleservices Limited (India) from December 2009 till May 2017. He has worked at Jubilant Motorworks Pvt Ltd as the Director & Chief Operating Officer. In the year 2019 he founded VersTech / Rusteak which provides end to end services related to the business of art, Turnkey Projects & redecorating Interiors. It is a one-stop solution to collectors, corporate houses, artists, gallerists, art dealers, architects and interior designers.
<b>Business Experience</b>	More than 28 years' work experience at various senior management levels
<b>Description of the Functional Role in the Company</b>	Management of day to day affairs of the company
<b>Area of experience and expertise in the Company</b>	Product development
<b>Family Relationship/ Relationship with any Director or Key Managerial Personnel</b>	None
<b>Employment Status</b>	Permanent Employee

<b>Ms. Sushma P.N.</b>	
<b>Designation</b>	Chief Financial Officer
<b>Date of Joining</b>	December 15, 2022
<b>Qualification</b>	C.A. (Intermediate), Bachelor's of Commerce (Rank holder)
<b>Term</b>	December 15, 2022 till date
<b>Service Contracts</b>	Not applicable
<b>Retirement and Termination Benefits</b>	Provident Fund and gratuity
<b>Previous Employment</b>	Worked in IT Sector, Printing & Packaging Industry and Entertainment Industry.
<b>Business Experience</b>	More than 25 years of experience in Auditing, Finance, Accounts & Taxation.
<b>Description of the Functional Role in the Company</b>	She is responsible for managing the financial functions of the company.
<b>Area of experience and expertise in the Company</b>	Finance, accounts and taxation



<b>Ms. Sushma P.N.</b>	
<b>Family Relationship/ Relationship with any Director or Key Managerial Personnel</b>	None
<b>Employment Status</b>	Permanent Employee

<b>Ms. Sneha Shukla</b>	
<b>Designation</b>	Company Secretary
<b>Date of Joining</b>	September 22, 2022
<b>Qualification</b>	Company Secretary, LLB and LLM
<b>Term</b>	September 22, 2022 till date
<b>Service Contracts</b>	Not applicable
<b>Retirement and Termination Benefits</b>	Provident Fund and gratuity
<b>Previous Employment</b>	Ms. Sneha Shukla has worked as a Secretarial Assistant with Mr. Upendra C. Shukla (Practicing Company Secretary) and as an Associate Advocate with Adv. Gaurang Mehta.
<b>Business Experience</b>	4 years of experience in the field of Secretarial and Legal matters
<b>Description of the Functional Role in the Company</b>	Secretarial and Legal
<b>Area of experience and expertise in the Company</b>	Secretarial and Legal
<b>Family Relationship/ Relationship with any Director or Key Managerial Personnel</b>	None
<b>Employment Status</b>	Permanent Employee

## OUR PROMOTER

The Promoter of our Company is Mr. Sureshkumar Pukhraj Jain. As on the date of this Draft Letter of Offer, our Promoter, holds 8,47,872 (Eight Lakhs Forty-Seven Thousand Eight Hundred and Seventy-Two) Equity Shares in our Company, representing 46.45% (Forty-Six point Four-Five Percent) of the voting share capital of our Company.

Mr. Suresh Pukhraj Jain, aged 59 years, is the Chairman and Managing Director of our company. He has completed graduation in Commerce from University of Bombay and later passed out as a Qualified Chartered Accountant from ICAI. Mr. Jain started his professional career in 1986 as a practicing Chartered Accountant taking care of audit and taxation aspects of Individual and Corporate clients. He carried out this practice till 1993 – for nearly seven years. It was during this time that Mr. Jain realized that liberalization and economic reforms had opened up many opportunities for the financial sector. Mr. S.P. Jain, a first-generation entrepreneur, set out to establish a business in an area that few others had ventured into, the area of Capital Markets. He is the founder of Networth Stock Broking Limited., a company listed on the Bombay Stock Exchange since 1994. A visionary with a mission, Mr. S.P. Jain then founded Sun Capital Advisory Services Private Limited, a capital advisory firm and Sun Global Investments Limited, London (FSA Registered). Mr. S.P. Jain's experience and in-depth knowledge about capital markets and exclusive specialized financial services has been the guiding force behind several path-breaking deals with Domestic and International clients. Under his able leadership, the company has orchestrated hundreds of processes extracting billions in transaction value for clients through transactions in the field of Equities, Fund Raising, Structured Finance, Strategic Restructuring and Management Advisory.

As on date of this Draft Letter of Offer, he is acting in the capacity of a director at Divella Beverages Private Limited, Svrk Health Care and Technologies Private Limited, Alan Scott Health & Hygiene Limited, Incipient Real Estate Private Limited, Harvest Agriculture Private Limited, Networth Retail Private Limited, Sunicon Business Finance Private Limited, Sun Cap Investment Professionals Private Limited, Networth EasyLife Financial Advisory Private Limited, Sun Capital Advisory Services Private Limited, Networth Insurance Services Private Limited, Alan Scott Nanoveu India Limited, S-Ancial Technologies Private Limited, Dhiway Networks Private Limited, Suncap SS Global Ventures Private Limited, Sunniva Corporate Advisory Private Limited, Nugenics Research Private Limited, Alan Scott Retail Limited, Vishwakarma Kaushal Kendra, Metastar Media Private Limited, Sunicon Ventures LLP.

For details of the educational qualifications, experience, other directorships, positions / posts held by our Promoter, please see the chapter titled '*Our Management*' on page 109 of this Draft Letter of Offer.

## CONFIRMATIONS

Our Promoter has hereby confirmed, warranted, and stated that:

1. He has not been declared as a wilful or fraudulent borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against him.
2. Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offender's Act, 2018.
3. Our Promoter has not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
4. Our Promoter has never been the promoter, director or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
5. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoter.

## OUR SUBSIDIARIES

As on the date of this Draft Letter of Offer, our Company has 3 (Three) subsidiaries, being Alan Scott Retail Limited, Alan Scott Health & Hygiene Limited, and Alan Scott Nanoveu India Limited. We do not have any joint venture or Associate Companies.

ALAN SCOTT RETAIL LIMITED				
Particulars	Description			
CIN	U74999MH2021PLC373919			
Company / LLP Name	Alan Scott Retail Limited			
ROC Code	RoC-Mumbai			
Registration Number	373919			
Company Category	Company limited by Shares			
Company Sub-Category	Non-govt company			
Class of Company	Public			
Authorised Capital(Rs)	₹100 Lakhs			
Paid up Capital(Rs)	₹10 Lakhs			
Face Value of Equity Shares	₹10/-			
Number of Members (Applicable in case of company without Share Capital)	0			
Date of Incorporation	Friday, 24 December 2021			
Registered Address	Unit no.302, Kumar Plaza, 3rd Floor, Near Kalina Masjid, Kalina, Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India			
Email ID	alanscottcompliance@gmail.com			
Promoter Shareholders Details	Name of the Promoter Shareholders		Number of equity shares held	Percentage of equity shares held
	Alan Scott Industriess Limited		84,990	85.00%
	Niyati Maulik Shah		3,000	3.00%
	Nitin SayamSundar Pujari		3,000	3.00%
	Bhaveshkumar Hiralal Navadiya		3,000	3.00%
	Bhaveskumar Karamshibhai Bagadiya		3,000	3.00%
	Jagdisbhai Babubhai Roy		3,000	3.00%
	Vasibala Ventures Private Limited		10	0.00%
Total		1,00,000	100.00%	
Directors Details	Name of the Director		DIN	Date of Appointment
	Sureshkumar Pukhraj Jain		0000048463	Friday, 24 December, 2021
	Vaibhav Prakash Bhandari		0007492925	
	Maulik Indravadan Shah		0008228153	
Details of Partnership/ Joint Venture	Name of the other party to the Agreement		Vasibala Ventures Private Limited	
	Scope of services		Operation and management of retail stores	
Details of Charges	Name of the Lender		Axis Bank Ltd	
	Nature of Borrowing		Term loan and Cash credit	
	Date of Sanction		23 June, 2022	
	Amount sanctioned (₹ in Lakhs)		₹437 Lakhs	
	Rate of interest		11% for Term loan and 10.5-% for Cash Credit loan	
	Outstanding amount as on the date of the Draft Letter of Offer (₹ in Lakhs)		₹194.24 Lakhs	
Main Objects of the subsidiary	1. To acquire, set up, construct, establish, maintain, run, operate and manage all types of retail stores, show-rooms, departmental stores,			

ALAN SCOTT RETAIL LIMITED		
Particulars	Description	
	hyper markets, super markets, shopping malls, specialty stores, franchisee stores, shopping outlets, convenience stores, wholesale, cash and carry operations, non-store formats, electronic commerce, mobile commerce, technology platforms, direct to home, mail order, online retail in various forms, warehouses, distribution centers, collection centers, marketing terminals and mandis and to carry on the business as general merchants, distributors, traders, dealers, franchisee, stockiest, agents, brokers, commission agents, importers and exporters of all types of goods, articles and merchandise on ready or forward basis, and to buy, sell and deal in all kinds of derivatives including put and call options and futures.	
Financial Statements	Particulars	Audited Financial Statements for March 31, 2022 (₹ in Lakhs except equity share data)
	Equity Share Capital	10.00
	Net-Worth	6.08
	Total Income	12.67
	Profit/ (loss) after tax (excluding comprehensive income/ (loss))	(3.92)
	Basic and Diluted EPS	(₹3.92/-)
	Net asset value per Equity Share	(₹6.08/-)
	Total borrowings (Including current and non-current borrowings)	85.90

ALAN SCOTT HEALTH & HYGIENE LIMITED			
Particulars	Description		
CIN	U24290MH2022PLC378563		
Company / LLP Name	Alan Scott Health & Hygiene Limited		
ROC Code	RoC-Mumbai		
Registration Number	378563		
Company Category	Company limited by Shares		
Company Sub-Category	Non-govt company		
Class of Company	Public		
Authorised Capital(Rs)	₹100 Lakhs		
Paid up Capital(Rs)	₹10.00 Lakhs		
Face Value of Equity Shares	₹10/-		
Number of Members (Applicable in case of company without Share Capital)	0		
Date of Incorporation	Thursday, 17 March 2022		
Registered Address	Unit No. 302, Kumar Plaza 3 <sup>rd</sup> Floor Kalina Kurla Road, Santacruz East, Mumbai-400029, Maharashtra, India		
Email ID	alanscottcompliance@gmail.com		
Shareholders Details	Name of the Shareholders	Number of equity shares held	Percentage of equity shares held
	Alan Scott Industriess Limited	80,000	80.00%
	Mr. Manoj Iyer	7,980	8.00%
	Mr. Vikal Bankelal Chaurasiya	5,000	5.00%
	Mr. Rajeev Shankar Godkhindi	5,000	5.00%
	Mr. Vaibhav Bhandari	2,000	2.00%
	Ms. Saloni Suresh Jain	10	0%
	Mr. Mahendra Dave	10	0%
Total		1,00,000	100.00%

ALAN SCOTT HEALTH & HYGIENE LIMITED			
Particulars	Description		
Directors Details	Name of the Director	DIN	Date of Appointment
	Sureshkumar Pukhraj Jain	0000048463	Thursday, 17 March 2022
	Manoj Iyer	0008145827	
	Chong Teck Eng	0009752404	Tuesday, 01 November, 2022
Details of Partnership/ Joint Venture	Nil		
Details of Charges	No charges		
Main Objects of the subsidiary	<p>1. To produce, manufacture, refine, distribute, re-sell, develop, process, reverse engineer, import, export, sell and distribute all types of Anti -bacteriological, Antiviral equipments, surface protectants, biological and herbal disinfectants, products and preparations including but not limited to sanitizer, soaps, washing materials, cleaning agents, toilet articles and toiletries and proprietary articles, used for sanitization, improving and maintaining hygiene and to control and make bacteria and virus free premises, to provides consultancy, advisory services and services of all types relating to maintenances of hygiene and for this purpose to carry on research/clinical research jointly with individuals, institutions and hospitals.</p> <p>2. To manufacture, buy, sell, import, export, develop, distribute, redistribute and deal in all types of medical equipment, apparatus, instruments, tools and accessories, including but not limited to Oxygen Concentrators, Nitrogen Concentrators, Air Purifiers, Ventilators, Filters and Sprayers, used for maintenance of hygiene and early detection, prevention and treatment of various diseases.</p>		
Financial Statements	Not Applicable		

ALAN SCOTT NANOVEU INDIA LIMITED			
Particulars	Description		
CIN	U72200MH2022PLC384843		
Company / LLP Name	Alan Scott Nanoveu India Limited		
ROC Code	RoC-Mumbai		
Registration Number	384843		
Company Category	Company limited by Shares		
Company Sub-Category	Non-govt company		
Class of Company	Public		
Authorised Capital(Rs)	₹100.00 Lakhs		
Paid up Capital(Rs)	₹10.00 Lakhs		
Face Value of Equity Shares	₹10/-		
Number of Members (Applicable in case of company without Share Capital)	0		
Date of Incorporation	Saturday, 18 June, 2022		
Registered Address	Unit no.302, Kumar Plaza, 3rd Floor, Near Kalina Masjid, Kalina, Kurla Road, Santacruz (East), Mumbai – 400029, Maharashtra, India		
Email ID	alanscottcompliance@gmail.com		
Shareholders Details	Name of the Shareholders	Number of equity shares held	Percentage of equity shares held
	Alan Scott Industriess Limited	69,000	69.00%
	Mr. Manoj Iyer	24,000	24.00%
	Mr SureshKumar Pukhraj Jain	5,000	5.00%
	Mrs Reji Sandeep	1,997	2.00%

ALAN SCOTT NANOVEU INDIA LIMITED			
Particulars	Description		
	Mr. Rajeev Shankar Godkhindi	1	Negligible
	Ms. Saloni Suresh Jain	1	Negligible
	Mrs Kanta Suresh Jain	1	Negligible
Directors Details	Name of the Director	DIN	Date of Appointment
	Sureshkumar Pukhraj Jain	0000048463	Saturday, 18 June, 2022
	Manoj Iyer	0008145827	
	Reji Sandeep	0006981664	
	Chong Teck Eng	0009752404	Friday, 07 October, 2022
Details of Charges	No charges		
Main Objects of the subsidiary	<p>1. To carry on the business of developing and marketing extensive range of technology including nanotechnology for diverse industries including but not limited to banking and financial services, insurance, energy, process, consumer packaged goods, retail and pharmaceuticals, health and hygiene, antiviral protectors, media and entertainment, hi-tech and consumer electronics and automotive and aerospace and provide services including but not limited to application development, maintenance and outsourcing, enterprise solutions, infrastructure management services, testing, digital solutions and platform-based solutions.</p> <p>2. To develop, design, search, innovate, amend, modify, buy, sell, import, export and deal in all types of computer software, programmes, systems and solutions, hardware and peripherals and innovative products and to carry on the business of developing websites, solutions, electronic commerce, known as E-Commerce, electronic mail, internet and other value added services.</p>		
Financial Statements	Not Applicable		

Further, kindly refer to the risk factor described *‘Our Subsidiaries operate in various facets of industries. Further, since these subsidiaries have been incorporated vide joint venture agreements, pre-mature termination or non-renewal of the said agreements can have an adverse impact on the financial operations of our Company.’*, and *‘Any decline in the value of investments of our Company, present and future, could have a material adverse effect on our business, results of operations, financial condition and cash flows.’* on pages 25, and 26 of this Draft Letter of Offer.

## **DIVIDEND POLICY**

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Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal 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. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

There are no dividends declared by our Company since incorporation.

## SECTION VII – FINANCIAL INFORMATION

### RESTATED CONSOLIDATED FINANCIAL STATEMENTS

#### INDEPENDENT AUDITORS' REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION OF 'ALAN SCOTT INDUSTRIES LIMITED'

To,  
**The Board of Directors,**  
Alan Scott Industries Limited  
302, 3rd Floor, Kumar Plaza,  
Near Market Kalina,  
Kalina Kurla Road,  
Santacruz East,  
Mumbai-400029

1. We have examined the attached Restated Consolidated Financial Information along with the significant accounting policies and related notes of **Alan Scott Industries Limited** (the 'Company'), and its subsidiaries (the Company and its subsidiaries together referred to as the 'Group') comprising the Restated Consolidated Statement of Assets and Liabilities as at 31st Dec, 2022, and March 31, 2022 the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Cash Flow Statement for the period / year ended 31st Dec, 2022, and March 31, 2022, the Statement of Significant Accounting Policies, and other explanatory information (collectively, the 'Restated Financial Information'), as approved by the Board of Directors of the Company at their meeting held on November 18, 2022 for the purpose of inclusion in the Draft Letter Of Offer ('DLOF') or Letter Of Offer ('LOF') prepared by the Company in connection with its proposed Right Issue of equity shares ('IPO') on the BSE Limited prepared in terms of the requirements of:
  - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the 'Act');
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ('ICDR Regulations'); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ('ICAI'), as amended from time to time (the 'Guidance Note').
2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DLOF /LOF to be filed with Securities and Exchange Board of India, BSE and Registrar of Companies, Mumbai in connection with the proposed right issue. The Restated Consolidated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Consolidated Financial Information. The Board of Directors of the company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 18, 2022 in connection with the proposed Right Issue of equity shares of the Company;
  - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Right Issue



4. These Restated Financial Information have been compiled by the management from:

The Audited Consolidated Financial Statements of the Group for the period ended on 31st Dec, 2022, and March 31, 2022, prepared in accordance with Accounting Standard (Indian GAAP) which have been approved by the Board of Directors at their meeting held on, November 14, 2022 and June 23, 2022.

5. For the purpose of our examination, we have relied on:

Auditors' reports issued by us dated Feb 14, 2023 and June 23, 2022 as at and for the period ended 31st Dec, 2022 and March 31, 2022

6. Based on our examination and according to the information and explanations given to us, we report that:

- a. The 'Restated Consolidated Statement of Assets and Liabilities' as set out in Annexure I to this report, of the Group as at Dec 31, 2022 and March 31, 2022, is prepared by the Company and approved by the Board of Directors. These Restated Consolidated Statement of Assets and Liabilities have been arrived at after making such adjustments (if any) and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
  - b. The 'Restated Consolidated Statement of Profit and Loss' as set out in Annexure II to this report, of the Group for the period ended Dec 31, 2022 and March 31, 2022, is prepared by the Company and approved by the Board of Directors. These Restated Statement of profit and Loss have been arrived at after making such adjustments (if any) and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
  - c. The 'Restated Consolidated Statement of Cash Flows' as set out in Annexure III to this report of the Group for the period ended Dec 31, 2022 and March 31, 2022, is prepared by the Company and approved by the Board of Directors. These Restated Statement of Cash Flow have been arrived at after making such adjustments (if any) and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
  - d. The Restated Consolidated Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. Our report is intended solely for use of the Board of Directors for inclusion in the DLOF/ LOF to be filed with Securities and Exchange Board of India, BSE Limited and Registrar of Companies, Mumbai in connection with the proposed Right Issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

As Per Our Attached Report of Even Date

**For Pravin Chandak & Associates**

Chartered Accountants

Firm's registration number: 116627W

**Pravin Chandak**

**Partner**

**Membership number: 049391**

**Place: Mumbai**

**Date: 16th February, 2023**

**UDIN: 23049391BGRNAE3633**

**ANNEXURE – I : RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

**(Rs In lakhs)**

<b>Particulars</b>		<b>As at December 31, 2022</b>	<b>As at March 31, 2022</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders funds</b>			
(a) Share capital	1	182.54	182.54
(b) Reserves and surplus			
Other Equity	2	-5.94	125.15
Non Controlling Interest		-2.87	0.91
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	3	151.94	12.98
(b) Deferred tax liabilities (Net)			
Other Non Current Liability	4	484.78	176.43
<b>3. Current liabilities</b>			
(a) Short-term borrowings	5	92.13	
(b) Trade payables	6	143.95	54.46
(c) Current Tax Liabilities(Net)		0.06	0.06
(d) Other current liabilities	7	69.02	4.03
<b>TOTAL</b>		<b>1115.61</b>	<b>556.55</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, Plant and Equipment	8	104.53	56.16
-Right of Use Asset (Leasehold Property)		530.13	204.31
(b) Other Non-Current Assets	9	128.65	44.15
<b>2. Current assets</b>			
Inventories	10	229.99	35.31
Current Investment		20.88	20.88
(c) Trade receivables	11	18.28	0.51
(d) Cash & cash equivalents	12	28.11	147.32
(e) Short term loan and advances	13	0.06	0.06
(f) Other Current Assets	14	54.99	47.85
<b>TOTAL</b>		<b>1115.61</b>	<b>556.55</b>

**ANNEXURE – II : RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

(Rs In lakhs)

Particulars		As at December 31, 2022	As at March 31, 2022
I. Revenue from operations	15	399.52	123.52
II. Other income	16	11.18	67.45
<b>III. Total Revenue (I + II)</b>		<b>410.70</b>	<b>190.97</b>
IV. Expenses:			
Cost of Material Consumed	17	22.50	8.63
Purchases of stock-in-trade		389.05	118.03
Changes in inventories of finished goods	18	-180.38	-24.41
Employee benefits expense	19	88.79	25.1
Finance costs	20	41.04	2.29
Depreciation and amortization expense		70.59	4.77
Other expenses	21	<b>119.72</b>	<b>62.74</b>
<b>Total expenses</b>		<b>551.32</b>	<b>197.15</b>
<b>V. Profit before exceptional and tax</b>		<b>-140.62</b>	<b>-6.18</b>
VI. Exceptional items		0	0
<b>VII. Profit before extraordinary items</b>		<b>-140.62</b>	<b>-6.18</b>
VIII. Extraordinary Items-		0	0
<b>IX. Profit before tax (VII- VIII)</b>		<b>-140.62</b>	<b>-6.18</b>
X. Tax expense:			
(1) Current tax		0	0
(2) Deferred tax		0	0
XI. Profit (Loss) for the period from continuing operations (VII-VIII)		-140.62	-6.18
XII. Profit/(loss) from discontinuing		0	0
XIII. Tax expense of discontinuing		0	0
<b>XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>0</b>	<b>0</b>
Total Comprehensive Income for the year/period attributable to			
Owners of the Company		<b>-131.16</b>	<b>-5.60</b>
Non-controlling interest		<b>-9.47</b>	<b>-0.59</b>
No. Of Equity Shares (F.V. Rs.10/- per share)		<b>18.25</b>	<b>18.25</b>
<b>XV. Profit (Loss) for the period (XI + XIV)</b>			
XVI Earnings per equity share:			
(1) Basic		-7.71	-0.31
(2) Diluted		-7.71	-0.31

**ANNEXURE – III: RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS**

(Rs In lakhs)

Particulars		As at December 31, 2022	As at March 31, 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Restated Net profit Before Tax and Extraordinary Items		-131.09	-5.60
<b>Adjustments For:</b>			
Depreciation		70.59	5.23
Net Gain on sale of Investment in shares			-63.23
Sundry Creditors Written back			
Dividend			-0.22
Interest Received on Loan		-0.35	-3.92
Sundry Debtors Written off			0.06
Sundry Creditors Written off		-4.68	-0.00
Transaction charges on Shares			1.57
(Profit)/Loss from Investing Activities			
Finance Cost		41.04	1.82
<b>Operating Profit before working Capital</b>		<b>-24.49</b>	<b>-64.29</b>
<b>Adjustment For:</b>			
Decrease/(Increase) in Inventories		-194.68	-35.31
Decrease/(Increase) in Trade receivables		-17.77	-0.57
Increase/ (Decrease) in Lease Rent Payable (non-current)		308.36	
Decrease/(Increase) in short term loans & Advances			
Decrease/(Increase) in Other Current Assets		-7.14	-36.73
Change in minority interest		-3.78	
Decrease/ (Increase) in Other non current assets		-84.50	
Decrease/ (Increase) in non current investment			-44.39
(Decrease)/Increase in Trade Payables		94.17	24.02
(Decrease)/Increase in Current liabilities		65.00	-0.46
<b>Cash Generated from Operations</b>		<b>135.16</b>	<b>-157.73</b>
Taxes Paid		0	0
<b>Net Cash From / (Used In) Operating Activities</b>		<b>135.16</b>	<b>-157.73</b>
<b>Cash Flow from Investing Activities</b>			
(Purchase)/Sale of Investments			-57.27
Purchase of Property, Plant & Equipment		-444.78	
Net Gain on sale of current Investment			63.23
Transaction charges on shares			-1.57
Investment in Bank Deposits having maturity more than 12 months			
Dividend Received			0.22
<b>Net Cash From / (Used In) Investing activity</b>		<b>-444.78</b>	<b>4.60</b>
<b>Cash Flow from Financing Activities</b>			
Proceeds from Issue of Shares			160.91
Interest Received on Loan		0.35	3.92
Interest on Loan paid		-41.04	-0.09
Payment of Lease Rent			-4.34
Proceeds from Non-current borrowings		138.95	12.98
Increase/(Decrease) in short term borrowings(liabilities)		92.13	
<b>Net Cash From Financing Activities (c)</b>		<b>190.40</b>	<b>173.39</b>
<b>Net Increase / (Decrease) in Cash</b>		<b>-119.22</b>	<b>20.26</b>
<b>Cash and Cash equivalents at the beginning</b>		<b>147.32</b>	<b>127.07</b>
<b>Cash and Cash equivalents at the end</b>		<b>28.11</b>	<b>147.32</b>

## **ANNEXURE IV**

### **ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL STATEMENTS**

#### **A. BACKGROUND**

The Company was incorporated as 'SUKETU FASHIONS LIMITED' under the provisions of the Companies Act, 1956 vide Certificate of Incorporation Dated February 22, 1994 issued by the Registrar of Companies, Mumbai. Later on it was renamed as 'ALAN SCOTT INDUSTRIES LIMITED' after passing the necessary resolutions as required by Companies Act, 1956. (CIN: L33100MH1994PLC076732)

#### **B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as on December 31, 2022, and March 31, 2022, and the Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statements of Cash Flows for the period/year ended on December 31, 2022, and March 31, 2022, and the annexure thereto (collectively, the 'Restated Consolidated Financial Statements' or 'Restated Consolidated Summary Statements') have been extracted by the management from the Audited Financial Statements of the Company for the period/ year ended on December 31, 2022, and March 31, 2022.

The Consolidated financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of Companies (Accounts) Rules, 2014).

##### **2. USE OF ESTIMATES**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates, judgments and assumptions.

These estimates, judgments and assumptions affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses for the year. These estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these estimates, judgments and assumptions may result in the outcome that may require material adjustment in the carrying amounts of assets and liabilities in future period.

Estimations which may cause material adjustment to the carrying amounts of assets and liabilities within next financial year is in respect of useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities and fair value measurement of financial instruments have been discussed below

##### **3. PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures related to property, plant and equipment is capitalized only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs of items of property, plant and equipment are recognized in the statement of profit and loss when incurred.

Gains or losses arising from fixed assets are measured as the difference between the net proceeds and carrying amount of the asset and are recognized in the statement of profit and loss when the asset is recognized.

#### **4. DEPRECIATION**

Depreciation has been provided on Written Down Value method on all assets as per Useful lives prescribed under Schedule II of Companies Act 2013. Depreciation on assets added during the year has been provided on pro-rata basis from the date of addition. Depreciation on deductions during the year is provided on pro-rata basis up to the date of sale. Individual assets whose cost does not exceed 5,000 are depreciated at 100%.

#### **5. BORROWING COSTS**

Borrowing costs are capitalized that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which it is incurred.

#### **6. IMPAIRMENT OF ASSETS**

The carrying amounts of assets are reviewed at each balance sheet dates and if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to extent of the carrying value of the asset that would have been determined (net of amortization / depreciation), had no impairment loss been recognized. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

#### **7. INVENTORIES**

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost is as follows:

- Stores and spares and consumables valued on cost
- Finished goods valued at lower of cost or net realizable value. Cost is determined on FIFO basis.

#### **8. INTANGIBLE ASSETS**

Intangible assets including software licenses of enduring nature and acquired contractual rights separately are measured on initial recognition, at cost. Intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost of internally generated intangible assets comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is recognized.

Capitalized development cost is carried at cost less accumulated amortization and impairment losses, if any. Intangibles under development include cost of intangibles that are not ready to be put to use.

#### **9. REVENUE RECOGNITION**

Revenue is Recognized Limited to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and it is reasonable to expect ultimate collection.

## **Sale of Goods**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped

## **Revenue from Investment**

Dividend income is accounted for in the year in dividend is declared and right to receive is established as per Accounting India Standard 9 on 'Revenue Recognition' issued by the Institute of Chartered Accountants of (ICAI).

## **Interest**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

## **10. FAIR VALUE MEASUREMENT:**

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. 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 asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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 or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## **11. CASH AND CASH EQUIVALENT:**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

## **12. INVESTMENTS:**

Investment that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. The investments have been valued at fair value in compliance with the Indian Accounting Standards

## **13. EMPLOYEE BENEFITS:**

### **(i) Gratuity**

The Company provides for Gratuity, covering eligible employees under Company Gratuity Scheme. On reporting date, liabilities with respect to gratuity plan as determined by an independent actuarial valuation and actuarial gains/losses are charged to the Statement of Profit and Loss Account. The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as liability and as per the requirements of Ind AS19.

### **(ii) Short-term Employee Benefits**

All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **(iii) Compensated absences**

The Company provides accumulating and non-accumulating paid absences such as annual leave, sick leave and casual leave.

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date

## **14. FINANCIAL LIABILITIES:**

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

### **Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

### **A financial liability is classified as held for trading if:**

It has been incurred principally for the purpose of repurchasing it in the near term; or



on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or  
It is a derivative that is not designated and effective as a hedging instrument

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

The financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or  
It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in Statement of Profit and Loss. The net gain or loss recognized in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in Statement of Profit and Loss.

The remaining amount of change in the fair value of liability is always recognised in Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to Statement of Profit and Loss. Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in Statement of Profit and Loss.

### **Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

## **15. INVESTMENTS AND OTHER FINANCIAL ASSETS:**

### **(i) Classification**

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

### **(ii) Measurement**

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### **Debt instruments**

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- **Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

## **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 other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### **(iii) Impairment of financial assets**

At amortised cost and FVOCI debt instruments. The impairment methodology applied depends on The company assesses on a forward looking basis the expected credit losses associated with its assets carried whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

## **16. BORROWING COST**

Borrowing costs are capitalized that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which it is incurred.

## **17. PROVISIONS AND CONTINGENT LIABILITY:**

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre- tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. A disclosure for a contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of a past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## **18. EARNINGS PER SHARE:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Split in face value of equity share of company has been considered as if it took place at the beginning of Restatement period.

## **19. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

**20. RELATED PARTY DISCLOSURES:**

Sr no.	Name	Relation of related party to the company
1	Jain Business Services	Partner in the entity
2	Hygienix Techno Services Pvt Ltd	Shareholder is Director in the company
3	Alan Scott Retail Ltd	Subsidiary Company
4	Vikal Bankelal Chaurasiya	Director
5	Rajeev Shankar Godhkindi	Director
6	Manoj Iyer	Director
7	Alan Scott Health & Hygiene Ltd	Subsidiary Company
8	Alan Scott Nanoveu India Limited	Subsidiary Company

**21. ACCOUNTING FOR TAXES ON INCOME**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

- (i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.
- (ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS ON MARCH 31, 2022**

1. Details of Loans given, Investments made, Guarantee given and Securities provided during the year covered under Section 186(4) of The Companies Act, 2013.
  - Loan given during the year Rs. Nil (Previous Year Rs. 21,528/-).
  - Investments made Rs. 29,37,513/-(Previous Year Rs.30,41,158/-).
  - Guarantees given and Securities provided by the Companies in respect of Loan Rs. 16,70,000/- (Previous Year Rs. NIL)
2. **Operating Lease:**

The Company has taken on lease properties under Operating lease arrangements. Most of the leases include renewal and escalation clauses. Provision thereof is made in the books in current financial year.

The following is a summary of future minimum lease rental commitments towards non-cancellable operating leases and finance leases as on the end of the financial year.

(Rs.in Lakhs)		
Operating Lease	2021-22	2020-21
Obligation on non- cancellable Operating leases		-
Not later than one year	28.7310	-

<b>Operating Lease</b>	<b>2021-22</b>	<b>2020-21</b>
Later than one year and not later than five years	176.4266	-
Later than five years	-	-

**3. Employee Benefits – Gratuity Valuation**

NIL

**4. Contingent Liabilities & Commitments:**

NIL

**5. Gratuity and Employment Benefit Plan:**

No provision has been made for retirement and employee benefit as per 'Ind AS 19' regarding retirement.

**6. Capital Commitments:**

The is no capital commitment as at March 31, 2022.

**7. Unhedged Foreign Currency Exposures:**

There is no foreign currency exposure outstanding as on 31/03/2022.

**8. Income/ Expenditure in Foreign Currency:**

There is no Income/ Expenditure in foreign currency as on 31/03/2022.

**9. Benami Property held:**

There is no Benami Property held by company as on 31/03/2022.

**10. Wilful Defaulter:**

The Company is not declared as wilful defaulter by any Bank or Financial Institution.

**11. Relationship with Struck off Companies:**

The Company has not had any transactions with companies struck off under section 248 of the Companies Act,2013.

**12. Registration of charges or satisfaction with Register of Companies:**

The company does not have any charge as on 31/03/2022.

**13. Compliance with approved Scheme(s) of Arrangement:**

The Company has not approved any Scheme of Arrangement in terms of sections 230 to 237 of the Companies Act,2013.

**14. Utilisation of Borrowed funds and share premium:**

The Parent Company had raised Rs.160 lakhs during the year on 28.8.2021 by issuing 6,40,000 Equity Shares of Rs.10/- each at a premium of Rs.15/- per share on preferential basis. Out of the total proceeds raised, up to 31.03.2022 a sum of Rs.135 lacs is deployed in funding working capital requirement and the balance amount of Rs.25 lacs are parked with the bank.

**15. Corporate Social Responsibility(CSR):**

The company is not required to fulfill any liability under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility.

**16. Crypto Currency and Virtual Currency:**

The company has not traded or invested in any Crypto currency or Virtual currency.

**17. Compliance with number of layers Companies:**

The company has complied with the clause 87 of section 2 of the Act Companies (Restriction on number of Layers) Rules, 2017.

**18. SME Accounting Standard Compliance**

In absence of adequate information relating to the suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, the Company is unable to identify such suppliers, hence the Information required under the said Act, cannot be ascertained.

**19. Ratios:**

Particulars	Numerator	Denominator	2021-22	2020-21	Variance (in %)
Current ratio	Current assets	Current liabilities	4.30	25.43	(83.08)
Debt – Equity ratio	Total debt (represents long term liabilities)(1)	Shareholder's equity	0.62	0.00	-
Debt service coverage ratio	Earnings available for debt service	Debt service(2)	0.09	0.00	-
Return on Equity (ROE)	Net profits after taxes	Average shareholder's equity	-2.01%	0.25%	(0.02)
Trade receivables turnover ratio	Revenue	Average trade receivable	241.75	0.00	-
Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	3.52	8.93	(60.58)
Net capital turnover ratio	Revenue	Working capital	0.64	0.01	4655.86
Net profit ratio	Net profit	Revenue	-5.01%	18.71%	(0.24)
Return on Capital Employed (ROCE)	Earnings before interest and taxes	Capital employed	-0.88%	0.25%	(0.01)

(1) Debt represent only Long Term Liabilities.

(2) Debt service represent Interest + Lease payment for the current period.

The variance in case of Debt – Equity ratio, Debt service coverage ratio is Nil as there was no long term borrowings in the Previous Year.

The Variance in case of Trade receivable turnover ratio is Nil as there was no trade receivable in the previous year.

There are many cases where variance between the previous year ratio and current year ratio is more than 25%. The company was inoperative till previous financial year and has been generating revenue through Investing activities only. The Company has started working on the new projects and expanding its operation in the current year due to which such major variances have occurred.

**C. CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS**

There is no change is significant accounting policies.

**ANNEXURE -1 RESTATED SUMMARY STATEMENT OF SHARE CAPITAL**

(Rs in lakhs)

Particulars		As at December 31, 2022	As at March 31, 2022
Authorised			
Equity Shares of Rs 10/- each		500.00	500.00
<b>Total</b>		<b>500.00</b>	<b>500.00</b>
Issued, Subscribed and Fully paid Up Capital		182.54	182.54
<b>Total</b>		<b>182.54</b>	<b>182.54</b>

**Notes-1.1**

- (i) The company has only one class of equity share having a par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees.
- (ii) All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings.
- (iii) The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting.
- (iv) In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

**Notes 1.2 Reconciliation of Shares at the beginning and at the end of the year**

Particulars	As at December 31, 2022	As at March 31, 2022
No of Equity Shares outstanding at the beginning of the year	18,25,377	11,85,377
Add: Bonus Shares issued		
Add: Equity Shares Issued		
No of Equity Shares outstanding at the end of the year	<b>18,25,377</b>	<b>18,25,377</b>

**Notes 1.3 Details of Shareholding more than 5% share in the company**

Particulars	As at December 31, 2022	As at March 31, 2022
	No of Shares %	No of Shares %
Suresh P. Jain	847872.	847872
	46.45%	46.45%
Next Orbit Ventures Capital	-	425000
		23.28%
Vikal Bankelal Chaurasiya	-	90000
		4.93%

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-2 RESTATED SUMMARY STATEMENT OF RESERVES AND SURPLUS**

(Rs in Lakhs)

Particulars		As at December 31, 2022	As at March 31, 2022
Profit & Loss Account			
Opening balance		-45.85	-40.26
Add: Net Profit after tax transferred from Statement of Profit and Loss after prior period adjustments		-131.09	-5.59
<b>Total</b>		<b>-176.94</b>	<b>-45.85</b>
<b>Securities Premium</b>			
Balance at the beginning of the year		171.00	75.00
Add: Share Premium during the year		0.00	96.00
<b>Total</b>		<b>171.00</b>	<b>171.00</b>
<b>TOTAL RESERVE AND SURPLUS</b>		<b>-5.94</b>	<b>125.15</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV.

**ANNEXURE-3 RESTATED SUMMARY STATEMENT OF LONG TERM BORROWINGS**

(Rs in Lakhs)

Particulars		As at December 31, 2022	As at March 31, 2022
A. Secured Loans			
From Banks		151.94	12.98
<b>Total(A)</b>		<b>151.94</b>	<b>12.98</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-4 RESTATED SUMMARY STATEMENT OF OTHER NON CURRENT LIABILITIES**

(Rs in Lakhs)

Particulars		As at December 31, 2022	As at March 31, 2022
Lease Rent Payable		484.78	176.43
<b>Total(A)</b>		<b>484.78</b>	<b>176.43</b>

**ANNEXURE-5 RESTATED SUMMARY STATEMENT OF SHORT TERMBORROWINGS**

(Rs in Lakhs)

Particulars		As at December 31, 2022	As at March 31, 2022
Unsecured Loans			
Loan from Saloni Suresh Jain		0.00	0.00
Suncap SS Global Ventures P Ltd-Inter Corporate		22.50	0.00
Loan From Suresh Jain		10.50	0.00
Other Loans and Advances		59.13	
<b>Total</b>		<b>92.10</b>	<b>0.00</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV



**ANNEXURE-6 RESTATED SUMMARY STATEMENT OF TRADE PAYABLES**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
Trade Payables Due to		
Micro and Small enterprise		
Others	143.95	54.46
<b>Total</b>	<b>143.95</b>	<b>54.46</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-7 RESTATED SUMMARY STATEMENT OF OTHER CURRENT LIABILITIES**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
Current Maturity of Long term Debt		3.72
TDS Payable	1.61	0.27
Employee Professional Tax	0.39	0.04
Provision for Expenses	0.00	0.00
Employees Contribution to ESIC	0.003	0.00
Employees Contribution to P.F.	0.23	0.00
current lease rent payable	60.51	0.00
Other payables	6.28	0.00
<b>Total</b>	<b>69.02</b>	<b>4.03</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-8 RESTATED SUMMARY STATEMENT OF PROPERTY, PLANT AND EQUIPMENT**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
<b>Tangible Assets</b>		
<b>Plant And Machinery</b>		
Gross Block at the Beginning of the Year	2.18	0.00
Addition During the Year	0.00	2.18
Deletion During the Year	0.00	0.00
Less: Accumulated Depreciation	0.46	0.19
<b>Net Block</b>	<b>1.71</b>	<b>1.98</b>
<b>Furniture and fixtures</b>		
Gross Block at the Beginning of the Year	35.76	0.90
Addition During the Year	51.01	34.85
Deletion During the Year	0.00	0.00
Less: Accumulated Depreciation	14.03	1.42
<b>Net Block</b>	<b>72.73</b>	<b>34.33</b>
<b>Vehicles</b>		
Gross Block at the Beginning of the Year	15.98	0.00
Addition During the Year	0.00	15.98
Deletion During the Year	0.00	0.00
Less: Accumulated Depreciation	3.99	0.30
<b>Net Block</b>	<b>11.99</b>	<b>15.68</b>
<b>Computer Equipments</b>		
Gross Block at the Beginning of the Year	4.90	1.83
Addition During the Year	3.28	3.07
Deletion During the Year	0.00	0.00
Less: Accumulated Depreciation	3.63	1.85

Particulars	As at December 31, 2022	As at March 31, 2022
<b>Net Block</b>	<b>4.55</b>	<b>3.05</b>
<b>Air Conditioner</b>		
Gross Block at the Beginning of the Year	0.51	0.51
Addition During the Year	2.40	0.00
Deletion During the Year	0.00	0.00
Less: Accumulated Depreciation	0.64	0.48
<b>Net Block</b>	<b>2.27</b>	<b>0.03</b>
<b>Tools And Equipments</b>		
Gross Block at the Beginning of the Year	0.28	0.00
Addition During the Year	1.02	0.28
Deletion During the Year	0	0.00
Less: Accumulated Depreciation	0.17	0.01
<b>Net Block</b>	<b>1.13</b>	<b>0.27</b>
<b>Office Equipments</b>	<b>0.17</b>	<b>0.01</b>
Gross Block at the Beginning of the Year	0.65	0.31
Addition During the Year	10.69	0.35
Deletion During the Year	0.00	0.00
Less: Accumulated Depreciation	2.24	0.36
<b>Net Block</b>	<b>9.10</b>	<b>0.29</b>
<b>Total tangible assets</b>	<b>103.48</b>	<b>55.62</b>
<b>Intangible Assets</b>		
<b>Software</b>		
Gross Block at the Beginning of the Year	0.57	0.00
Addition During the Year	0.86	0.57
Deletion During the Year	0.00	0.00
Less: Accumulated Depreciation	0.38	0.03
<b>Total Intangible Assets</b>	<b>1.05</b>	<b>0.54</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-9 RESTATED SUMMARY OF OTHER NON- CURRENT ASSETS**

(Rs In Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
Secured Deposits	121.87	41.01
TDS receivable	1.32	1.32
Preliminary Expense	5.46	1.82
<b>Total</b>	<b>128.65</b>	<b>44.15</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-10 RESTATED SUMMARY OF INVENTORIES**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
(a) Raw Materials	25.19	10.89
(b) Work-in Progress	5.23	4.82
(c) Finished Goods	199.57	19.60
<b>Total</b>	<b>229.99</b>	<b>35.31</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-11 RESTATED SUMMARY OF TRADE RECEIVABLES**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
Unsecured & Considered Good	18.28	0.51
<b>Total</b>	<b>18.28</b>	<b>0.51</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-12 RESTATED SUMMARY OF CASH AND CASH EQUIVALENTS**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
Balances with banks	27.08	46.27
Bank deposits with more than twelve months maturity		100.00
Cash on hand	1.02	1.05
<b>Total</b>	<b>28.11</b>	<b>147.32</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-13 RESTATED SUMMARY OF SHORT TERM LOANS & ADVANCES**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
MAT Credit Entitlement	0.06	0.06
<b>Total</b>	<b>0.06</b>	<b>0.06</b>

**Notes:**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 14 RESTATED SUMMARY OF OTHER CURRENT ASSETS**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
Prepaid Expenses	0.93	0.25
Advance recoverable in cash or kind	6.32	31.06
Input Gst	47.29	13.63
Interest accrued on FD	0.45	2.92
<b>TOTAL</b>	<b>54.99</b>	<b>47.85</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 15 RESTATED SUMMARY OF REVENUE FROM OPERATIONS**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
<b>Sale of products</b>		
Sale of products	399.52	
Sale of services	0.00	5.83
<b>Revenue from operations</b>	<b>399.52</b>	<b>123.52</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE 16 RESTATED SUMMARY OF OTHER INCOME

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
<b>Other non-operating income</b>		
Interest Income	0.35	3.92
Discount Received	0.00	0.22
Net gain (loss) on sale of investments	0.00	63.23
Other non-operating income	10.83	0.08
<b>Total</b>	<b>11.18</b>	<b>67.45</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE 17 RESTATED SUMMARY OF COST OF MATERIAL CONSUMED

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
<b>Raw Material</b>		
Opening Stock	10.89	0.00
Add: Purchases	36.80	19.53
Less: Closing Stock	(25.19)	(10.89)
<b>Cost of Raw Material Consumed</b>	<b>22.50</b>	<b>8.63</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE 18 RESTATED SUMMARY OF CHANGES IN INVENTORIES

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
<b>Finished Goods</b>		
Opening stock	19.60	0.00
Closing Stock	199.57	19.60
<b>Work in progress and stock in trade</b>		
Opening stock	4.82	0.00
Closing Stock	5.23	4.82
<b>Changes in inventory</b>	<b>(180.38)</b>	<b>(24.41)</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 19 RESTATED SUMMARY OF EMPLOYEE BENEFIT EXPENSES**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
Salary & Wages	84.04	23.15
Staff welfare expenses	4.75	1.95
<b>Total</b>	<b>88.79</b>	<b>25.10</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 20 RESTATED SUMMARY OF FINANCE COSTS**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
Borrowing Costs	5.73	0.09
Interest Expenses	5.72	0.41
Bank Charges	2.40	0.06
Finance Cost On Lease	27.19	1.73
<b>Total</b>	<b>41.04</b>	<b>2.29</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 21 RESTATED SUMMARY OF OTHER EXPENSES**

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
<b>Administrative and Selling Expenses</b>		
Insurance	0.39	0.02
Product development expenses	0.86	5.25
Repairs to machinery	0.00	1.24
Communication expenses	1.06	0.49
CSR expenses	0.00	0.00
CDSL/NSDL Charges	1.19	1.27
Electricity Expenses	3.57	0.04
Fooding Expenses	0.00	0.12
Director's Remuneration (including sitting fees)	0.00	14.30
Interest/fees on TDS	0.03	0.00
Legal Professional & consultancy charges	14.26	7.53
Listing & Processing fess	2.25	5.66
Leave and License Expenses	2.03	0.28
Misc. Expenses	22.50	1.74
Office expenses	3.26	0.66
Payment to Auditors	0.75	1.75
Postage telegram & courier charges	0.00	0.58
Printing & stationary	4.02	1.06
Professional Tax	0.12	0.03
Rent (Office)	26.53	6.38
Repairs and Maintenance	3.80	0.78
ROC Fees	0.15	0.13
Software Expense	0.09	0.00
Travelling and conveyance expense	18.50	5.77
Preliminary expenses written off	0.91	0.00
Transaction & other charges	0.00	1.56
Other Expenses	0.00	2.02
Selling and distribution Expenses	13.45	4.06

Particulars	As at December 31, 2022	As at March 31, 2022
Sundry balance w/off	0.00	0.06
<b>Total</b>	<b>119.72</b>	<b>62.74</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV.

#### ANNEXURE 22 RESTATED SUMMARY OF CONTINGENT LIABILITIES AND COMMITMENTS

(Rs in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022
(a) Bills Discounted from Banks	NIL	NIL
(b) Bank Guarantee issued by bank	NIL	NIL
(c) Corporate Guarantee given by company	NIL	NIL
(d) Duty saved against Advanced Authorization/EPCG	NIL	NIL
(e) Claim against company does not acknowledge as debt.	NIL	NIL
(1) In respect of Income tax	NIL	NIL
(2) In respect of Sales tax	NIL	NIL
(3) In respect of Service tax / excise duty	NIL	NIL
(4) in respect of Capital account transaction	NIL	NIL

#### ANNEXURE 23 RESTATED SUMMARY OF RELATED PARTIES TRANSACTIONS

(Rs in Lakhs)

Name of the Party	As at December 31, 2022	As at March 31, 2022
<b>Transactions during the year with related parties and KMP</b>		
<b>Salary</b>		
Vikal Bankelal Chaurasiya	2.70	3.50
Rajeev Shankar Godhkindi	1.75	3.70
Manoj Iyer	9.25	7.09
	<b>13.70</b>	<b>14.29</b>
<b>Sales</b>		
Jain Business Services	0.48	0.21
	<b>0.48</b>	<b>0.21</b>
<b>Rent</b>		
Jain Business Services	6.30	3.50
	<b>6.30</b>	<b>3.50</b>
<b>Consultancy fees received/ Purchases</b>		
Rajeev Shankar Godhkindi	0.50	-
Hygienix Techno Services Pvt Ltd	-	2.14
	<b>0.50</b>	<b>2.14</b>
<b>Net Unsecured Loan taken</b>		
Mrs Saloni Suresh Jain		(4.95)
Suresh Jain		
Suncap SS Global Ventures P Ltd-Inter Corporate	10.50	
	22.50	
	<b>33.00</b>	<b>(4.95)</b>
<b>23.3 Balances as at the year end</b>		
<b>Unsecured Loans</b>		
Mrs Saloni Suresh Jain		
Suresh Jain		
Suncap SS Global Ventures P Ltd-Inter Corporate	10.50	
	22.50	
	<b>33.00</b>	

## RESTATED STANDALONE FINANCIAL STATEMENTS

### INDEPENDENT AUDITORS' REPORT ON RESTATED FINANCIAL INFORMATION OF 'ALAN SCOTT INDUSTRIES LIMITED'

To,  
**The Board of Directors,**  
Alan Scott Industries Limited  
A-302, 3rd Floor, Kumar Plaza,  
Near Market Kalina,  
Kalina Kurla Road,  
Santacruz East,  
Mumbai-400029

1. We have examined the attached Restated Financial Information along with the significant accounting policies and related notes of **ALAN SCOTT INDUSTRIES LIMITED** (the 'Company'), comprising the Restated Statement of Assets and Liabilities as at 31<sup>st</sup> Dec 2022, March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Statement of Profit and Loss, the Restated Cash Flow Statement for the period / year ended 31<sup>st</sup> Dec 2022, March 31, 2022, March 31, 2021 and March 31, 2020, the Statement of Significant Accounting Policies, and other explanatory information (collectively, the 'Restated Financial Information'), as approved by the Board of Directors of the Company at their meeting held on November 18, 2022 for the purpose of inclusion in the Draft Letter Of Offer ('DLOF') or Letter Of Offer ('LOF') prepared by the Company in connection with its proposed Right Issue of equity shares ('IPO') on the BSE Limited prepared in terms of the requirements of:
  - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the 'Act');
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ('ICDR Regulations'); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ('ICAI'), as amended from time to time (the 'Guidance Note').
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DLOF / LOF to be filed with Securities and Exchange Board of India, BSE and Registrar of Companies, Mumbai in connection with the proposed right issue. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors of the company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 18, 2022 in connection with the proposed Right Issue of equity shares of the Company;
  - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Right Issue.

4. These Restated Financial Information have been compiled by the management from:

The Audited Financial Statements of the Company for the period ended on Dec 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, prepared in accordance with Accounting Standard (Indian GAAP) which have been approved by the Board of Directors at their meeting held on Feb 14, 2022, June 23, 2022, June 30, 2021 and June 29, 2020.

5. For the purpose of our examination, we have relied on:

- a) Auditors' reports issued by us dated Feb 14, 2023, June 23, 2022 and June 30, 2021 as at and for the period ended 31<sup>st</sup> Dec 2022, March 31, 2022 and March 31, 2021 and
- b) Auditor's report issued by Company's previous auditor dated June 29, 2020 for the year ended March 31, 2020 respectively.

The audits for the financial year ended March 31, 2020 were conducted by the Company's previous auditors, Bhatte And Company, (the 'Previous Auditors'), and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information. The examination report included for the said year is based solely on the report submitted by the Previous Auditors. They have also confirmed that the 2020 Restated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2020 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the period ended Dec 31, 2022;

6. Based on our examination and according to the information and explanations given to us, we report that:

- a. The 'Restated Statement of Assets and Liabilities' as set out in Annexure I to this report, of the Company as at Dec 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, have been arrived at after making such adjustments (if any) and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
  - b. The 'Restated Statement of Profit and Loss' as set out in Annexure II to this report, of the Company for the period ended Dec 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 is prepared by the Company and approved by the Board of Directors. These Restated Statement of profit and Loss, have been arrived at after making such adjustments (if any) and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
  - c. The 'Restated Statement of Cash Flows' as set out in Annexure III to this report of the Company for the period ended Dec 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Cash Flow have been arrived at after making such adjustments (if any) and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
  - d. The Restated Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.



9. Our report is intended solely for use of the Board of Directors for inclusion in the DLOF/ LOF to be filed with Securities and Exchange Board of India, BSE Limited and Registrar of Companies, Mumbai in connection with the proposed right issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

As Per Our Attached Report of Even Date

**For Pravin Chandak & Associates**

Chartered Accountants

Firm's registration number: 116627W

**Pravin Chandak**

**Partner**

**Membership number: 049391**

**Place: Mumbai**

**Date: 16<sup>th</sup> February, 2023**

**UDIN:23049391BGRNAF1691**

**ANNEXURE – I: RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Rs in lakhs)

Particulars	Annex No.	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholders funds</b>					
(a) Share capital	1	182.54	182.54	118.54	68.54
(b) Reserves and surplus	2	32.27	128.48	34.74	-40.64
<b>2. Non-current liabilities</b>					
(a) Long-term borrowings	3	13.94	12.98	-	
(b) Deferred tax liabilities (Net)					
<b>3. Current liabilities</b>					
(a) Short-term borrowings	4	33.00	-	4.95	0.45
(b) Trade payables	5	17.04	17.35	1.25	0.55
(c) Current Tax Liabilities(Net)	6	0.06	0.06	0.06	
(d) Other current liabilities	7	2.64	4.03		
<b>TOTAL</b>		<b>281.50</b>	<b>345.44</b>	<b>159.54</b>	<b>28.90</b>
<b>II. ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Property, Plant and Equipment	8				
Tangible Assets		20.01	22.14	0.20	0.20
Intangible Assets		1.04		-	-
(b) Other Non Current Assets	9	12.32	12.32	0.21	0.51
<b>2. Current assets</b>					
(a) Inventories	10	30.42	17.72	-	-
(b) Current Investment		44.28	29.38	30.41	-
(c) Trade receivables	11	16.96	0.15	-	-
(d) Cash & cash equivalents	12	3.00	146.29	127.07	0.59
(e) Short term loan and advances	13	0.06	0.06	0.06	-
(f) Other Current Assets	14	153.41	117.38	1.59	27.60
<b>TOTAL</b>		<b>281.50</b>	<b>345.44</b>	<b>159.54</b>	<b>28.90</b>

**ANNEXURE – II: RESTATED STATEMENT OF PROFIT AND LOSS**

(Rs in lakhs)

Particulars	Annex No.	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
I. Revenue from operations	15	36.90	110.85	2.05	4.55
II. Other income	16	0.35	67.45	9.26	0.09
<b>III. Total Revenue (I + II)</b>		<b>37.26</b>	<b>178.30</b>	<b>11.31</b>	<b>4.64</b>
IV. Expenses:					
Cost of Material Consumed	17	22.50	8.63	-	-
Purchases of stock-in-trade		-	93.58	-	-
Changes in inventories of finished goods and stock-in-trade	18	1.60	(6.82)	-	-
Employee benefits expense	19	63.18	24.48	0.60	2.66
Finance costs	20	0.93	0.50	0.05	0.13
Depreciation and amortization expense		6.20	0.78	-	-
Other expenses	21	39.07	59.41	10.28	8.61
<b>Total expenses</b>		<b>133.47</b>	<b>180.56</b>	<b>10.93</b>	<b>11.31</b>
<b>V. Profit before exceptional and</b>		(96.21)	(2.26)	0.38	(6.67)
VI. Exceptional items		-	-		
<b>VII. Profit before extraordinary items</b>		(96.21)	(2.26)	0.38	(6.67)
VIII. Extraordinary Items-		-	-		
<b>IX. Profit before tax (VII- VIII)</b>		(96.21)	(2.26)	0.38	(6.67)
X. Tax expense:					
(1) Current tax		-	-	-	
(2) Deferred tax		-	-	-	
(3) Adjustment relating to Prior period		-	-	-	0.11
<b>XI. Profit (Loss) for the period from continuing operations (VII-VIII)</b>		(96.21)	(2.26)	0.38	(6.78)
XII. Profit/(loss) from discontinuing		-	-	-	-
XIII. Tax expense of discontinuing		-	-	-	-
<b>XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-	-	-
<b>XV. Profit (Loss) for the period (XI + XIV)</b>		<b>(96.21)</b>	<b>(2.26)</b>	<b>0.38</b>	<b>(6.78)</b>
XVI Earnings per equity share:					
(1) Basic		(-5.27)	(0.12)	0.03	(0.99)
(2) Diluted		(-5.27)	(0.12)	0.06	(0.99)

**ANNEXURE – III: RESTATED STATEMENT OF CASH FLOWS**

(Rs in lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Restated Net profit Before Tax and Extraordinary Items	(96.21)	(2.26)	0.38	(6.78)
<b>Adjustments For:</b>				
Depreciation	6.20	0.78	-	-
Net Gain on sale of Investment in shares	-	(63.23)	-	-
Sundry Creditors Written back	-	(0.00)	(0.21)	-
Dividend	-	(0.22)	-	-
Interest Received on Loan	(0.35)	(3.92)	-	-
Sundry Debtors Written off	-	0.06	-	-
Transaction charges on Shares	-	1.57	-	-
(Profit)/Loss from Investing Activities	-	-	(9.02)	0.11
Finance Cost	0.93	0.09	-	-
<b>Operating Profit before working Capital</b>	<b>(89.43)</b>	<b>(67.14)</b>	<b>(8.84)</b>	<b>(6.67)</b>
<b>Adjustment For:</b>				
Decrease/(Increase) in Inventories	(12.70)	(17.72)	-	-
Decrease/(Increase) in Trade receivables	(16.81)	(0.21)	-	-
Decrease/(Increase) in short term loans & Advances	-	-	0.06	0.04
Decrease/(Increase) in Other Current Assets	(36.03)	(114.76)	26.01	-
Decrease/ (Increase) in Other non-current assets	(14.90)	(12.11)	0.30	1.22
(Decrease)/Increase in Trade Payables	(0.31)	16.20	0.90	0.14
(Decrease)/Increase in Other current liabilities	(1.38)	-	-	-
(Decrease)/Increase in Short-term Provisions		(1.02)	(0.06)	-
<b>Cash Generated from Operations</b>	<b>(171.56)</b>	<b>(196.76)</b>	<b>18.37</b>	<b>(5.26)</b>
Taxes Paid				
<b>Net Cash From / (Used In) Operating Activities</b>	<b>(171.56)</b>	<b>(196.76)</b>	<b>18.37</b>	<b>(5.26)</b>
<b>Cash Flow From Investing Activities</b>				
(Purchase)/Sale Of Investments	-	-	(21.39)	-
Purchase of Property, Plant & Equipment	(5.11)	(22.72)	-	-
Net Gain on sale of current Investment	-	63.23	-	-
Transaction charges on shares	-	(1.57)	-	-
Investment in Bank Deposits having maturity more than 12 months	-	(100.00)	-	-
Dividend Received	-	0.22	-	-
<b>Net Cash From / (Used In) Investing</b>	<b>(5.11)</b>	<b>(60.84)</b>	<b>(21.39)</b>	<b>-</b>
<b>Cash Flow From Financing Activities</b>				
Proceeds from Issue of Shares		160.00	125.00	-
Interest Received on Loan	0.35	3.92	-	-
Interest on Loan paid	(0.93)	(0.09)	-	(0.11)
Proceeds from Non-current borrowings	0.96	12.98	-	-
Increase/(Decrease) in short term borrowings(liabilities)	33.00	-	4.50	0.45
<b>Net Cash From Financing Activities (c)</b>	<b>33.38</b>	<b>176.82</b>	<b>129.50</b>	<b>0.34</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>(143.29)</b>	<b>(80.77)</b>	<b>126.48</b>	<b>(4.92)</b>
<b>Cash and Cash equivalents at the beginning</b>	<b>146.29</b>	<b>127.07</b>	<b>0.59</b>	<b>5.51</b>
<b>Cash and Cash equivalents at the end</b>	<b>3.00</b>	<b>46.29</b>	<b>127.07</b>	<b>0.59</b>

**ANNEXURE IV**

## **ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL STATEMENTS**

### **A. BACKGROUND**

The Company was incorporated as “SUKETU FASHIONS LIMITED” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation Dated February 22, 1994 issued by the Registrar of Companies, Mumbai. Later on it was renamed as “ALAN SCOTT INDUSTRIES LIMITED” after passing the necessary resolutions as required by Companies Act, 1956. (CIN: L33100MH1994PLC076732)

### **B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

#### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Summary Statement of Assets and Liabilities of the Company as on December 31, 2022, March 31, 2022, March 31, 2021, and March 31, 2020 and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the period/year ended on December 31, 2022, March 31, 2022, March 31, 2021, and March 31, 2020 and the annexure thereto (collectively, the “Restated Financial Statements” or “Restated Summary Statements”) have been extracted by the management from the Audited Financial Statements of the Company for the period/ year ended on December 31, 2022, March 31, 2022, March 31, 2021, and March 31, 2020.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

#### **2. USE OF ESTIMATES**

Use of estimates and judgment

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates, judgments and assumptions.

These estimates, judgments and assumptions affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses for the year. These estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these estimates, judgments and assumptions may result in the outcome that may require material adjustment in the carrying amounts of assets and liabilities in future period.

Estimations which may cause material adjustment to the carrying amounts of assets and liabilities within next financial year is in respect of useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities and fair value measurement of financial instruments have been discussed below

#### **3. PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under ‘Capital work-in-progress’.

Subsequent expenditures related to property, plant and equipment is capitalized only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs of items of property, plant and equipment are recognized in the statement of profit and loss when incurred.

Gains or losses arising from of fixed assets are measured as the difference between the net proceeds and carrying amount of the asset and are recognized in the statement of profit and loss when the asset is recognized.

#### **4. DEPRECIATION**

Depreciation has been provided on Written Down Value method on all assets as per Useful lives prescribed under Schedule II of Companies Act 2013. Depreciation on assets added during the year has been provided on pro-rata basis from the date of addition. Depreciation on deductions during the year is provided on pro-rata basis up to the date of sale. Individual assets whose cost does not exceed 5,000 are depreciated at 100%.

#### **5. BORROWING COSTS**

Borrowing costs are capitalized that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which it is incurred.

#### **6. IMPAIRMENT OF ASSETS**

The carrying amounts of assets are reviewed at each balance sheet dates and if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to extent of the carrying value of the asset that would have been determined (net of amortization / depreciation), had no impairment loss been recognized. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

#### **7. INVENTORIES**

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport, handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost is as follows:

- Stores and spares and consumables valued on cost
- Finished goods valued at lower of cost or net realizable value. Cost is determined on FIFO basis.

#### **8. INTANGIBLE ASSETS:**

Intangible assets including software licenses of enduring nature and acquired contractual rights separately are measured on initial recognition, at cost. Intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost of internally generated intangible assets comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is recognized.

Capitalized development cost is carried at cost less accumulated amortization and impairment losses, if any. Intangibles under development include cost of intangibles that are not ready to be put to use.

## **9. REVENUE RECOGNITION**

Revenue is Recognized Limited to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and it is reasonable to expect ultimate collection.

### **Sale of Goods**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

### **Revenue from Investment**

Dividend income is accounted for in the year in dividend is declared and right to receive is established as per Accounting India Standard 9 on "Revenue Recognition" issued by the Institute of Chartered Accountants of (ICAI).

### **Interest**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

## **10. FAIR VALUE MEASUREMENT:**

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date.

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 asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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 or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**11. CASH AND CASH EQUIVALENT:**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

**12. INVESTMENTS:**

Investment that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. The investments have been valued at fair value in compliance with the Indian Accounting Standards

**13. EMPLOYEE BENEFITS:**

**(i) Gratuity**

The Company provides for Gratuity, covering eligible employees under Company Gratuity Scheme. On reporting date, liabilities with respect to gratuity plan as determined by an independent actuarial valuation and actuarial gains/losses are charged to the Statement of Profit and Loss Account. The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as liability and as per the requirements of Ind AS19.

**(ii) Short-term Employee Benefits**

All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(iii) Compensated absences**

The Company provides accumulating and non-accumulating paid absences such as annual leave, sick leave and casual leave.

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date

**14. FINANCIAL LIABILITIES:**

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL



Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

It has been incurred principally for the purpose of repurchasing it in the near term; or

on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

It is a derivative that is not designated and effective as a hedging instrument

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

The financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or

It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in Statement of Profit and Loss. The net gain or loss recognized in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in Statement of Profit and Loss.

The remaining amount of change in the fair value of liability is always recognised in Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to Statement of Profit and Loss. Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

## 15. INVESTMENTS AND OTHER FINANCIAL ASSETS:

### (i) **Classification**

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

### (ii) **Measurement**

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### **Debt instruments**

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

- **Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss

within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### **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 other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

- **Impairment of financial assets**

At amortised cost and FVOCI debt instruments. The impairment methodology applied depends on The company assesses on a forward looking basis the expected credit losses associated with its assets carried whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

## **16. PROVISIONS AND CONTINGENT LIABILITY:**

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. A disclosure for a contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of a past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## **17. EARNINGS PER SHARE:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. Split in face value of equity share of company has been considered as if it took place at the beginning of Restatement period.

## **18. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and

item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

**19. RELATED PARTY DISCLOSURES:**

Sr no.	Name	Relation of related party to the company
1	Jain Business Services	Partner in the entity
2	Hygienix Techno Services Pvt Ltd	Shareholder is Director in the company
3	Alan Scott Retail Ltd	Subsidiary Company
4	Vikal Bankelal Chaurasiya	Director
5	Rajeev Shankar Godhkindi	Director
6	Manoj Iyer	Director
7	Alan Scott Health & Hygiene Ltd	Subsidiary Company
8	Alan Scott Nanoveu India Limited	Subsidiary Company

**20. ACCOUNTING FOR TAXES ON INCOME**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

- (i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.
- (ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

**C. NOTES TO THE FINANCIAL STATEMENTS AS ON MARCH 31, 2022**

**1. Details of Loans given, Investments made, Guarantee given and Securities provided during the year covered under Section 186(4) of The Companies Act, 2013.**

- (i) Loan given during the FY 2021-22 Rs.89,17,531/- (FY 2020-21 Rs. 21,528/-)

Name of Entity	Relation	Amount in (Rs. In Lakhs)	Particulars of Loan Guarantee and Investments	Purpose for which the loans, guarantee and Investments are proposed to be utilized
Alan Scott Health & Hygiene Ltd	Others	3.28/-	Loan	For ROC related expenses
Alan Scott Retail Limited	Subsidiaries	85.90 /-	Loan	Capital Work-in-progress

- (ii) Investments made Rs. 29,37,513/-(Previous Year Rs.30,41,158/-).
- (iii) Guarantees given and Securities provided by the Companies in respect of Loan for the FY 2021-22 Rs. 16,70,000/-

**2. Operating Lease:**

The Company has not taken any lease properties under financial lease arrangements.

**3. Employee Benefits – Gratuity Valuation**

NIL

**4. Contingent Liabilities & Commitments:**

NIL

**5. Gratuity and Employment Benefit Plan:**

No provision has been made for retirement and employee benefit as per 'Ind AS 19' regarding retirement

**6. Capital Commitments:**

The capital commitment as at March 31, 2022 is NIL.

**7. Unhedged Foreign Currency Exposures:**

There is no foreign currency exposure outstanding as on 31/03/2022.

**8. Income/ Expenditure in Foreign Currency:**

There is no Income/ Expenditure in foreign currency as on 31/03/2022.

**9. Benami Property held:**

There is no Benami Property held by company as on 31/03/2022.

**10. Wilful Defaulter:**

The Company is not declared as wilful defaulter by any Bank or Financial Institution.

**11. Relationship with Struck off Companies:**

The Company has not had any transactions with companies struck off under section 248 of the Companies Act, 2013.

**12. Registration of charges or satisfaction with Register of Companies:**

The company does not have any charge as on 31/03/2022.

**13. Compliance with approved Scheme(s) of Arrangement:**

The Company has not approved any Scheme of Arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

**14. Utilisation of Borrowed funds and share premium: -**

The Company had raised Rs.160 lakhs during the year on 28.8.2021 by issuing 6,40,000 Equity Shares of Rs.10/- each at a premium of Rs.15/- per share on preferential basis. Out of the total proceeds raised, up to 31.03.2022 a sum of Rs.135 lacs is deployed in funding working capital requirement and the balance amount of Rs.25 lacs are parked with the bank.

**15. Corporate Social Responsibility (CSR):**

The company is not required to fulfill any liability under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility.

**16. Crypto Currency and Virtual Currency:**

The company has not traded or invested in any Crypto currency or Virtual currency.

**17. Compliance with number of layers Companies:**

The company has complied with the clause 87 of section 2 of the Act Companies (Restriction on number of Layers) Rules, 2017.

**18. SME Accounting Standard Compliance:**

In absence of adequate information relating to the suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, the Company is unable to identify such suppliers, hence the Information required under the said Act, cannot be ascertained

**19. Ratios:**

Particulars	Numerator	Denominator	2021-22	2020-21	Variance (in %)
Current ratio	Current assets	Current liabilities	14.51	25.43	(42.96)
Debt – Equity ratio	Total debt (represents long term liabilities) <sup>(1)</sup>	Shareholder's equity	0.04	0.00	-
Debt service coverage ratio	Earnings available for debt service	Debt service <sup>(2)</sup>	(0.11)	0.00	-
Return on Equity (ROE)	Net profits after taxes	Average shareholder's equity	-0.73%	0.25%	(0.01)
Trade receivables turnover ratio	Revenue	Average trade receivable	716.09	0.00	-
Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	9.32	8.93	4.33
Net capital turnover ratio	Revenue	Working capital	0.38	0.01	2750.73
Net profit ratio	Net profit	Revenue	-2.04%	18.71%	(0.21)
Return on Capital Employed (ROCE)	Earnings before interest and taxes	Capital employed	-0.67%	0.25%	(0.01)

(1) Debt represents only Long-Term Liabilities.

(2) Debt service represent Interest + Principal pertaining to long term borrowings payable.

The variance in case of Debt – Equity ratio, Debt service coverage ratio is Nil as there was no long term borrowings in the FY 2020-21.

The Variance in case of Trade receivable turnover ratio is Nil as there was no trade receivable in the FY 2020-21.

There are many cases where variance between the FY 2020-21 ratio and 2021-22 ratio is more than 25%. The company was inoperative till previous financial year and has been generating revenue through Investing activities only. The Company has started working on the new projects and expanding its operation in the current year due to which such major variances have occurred.

**D. CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS**

There is no change is significant accounting policies.

**ANNEXURE -1 RESTATED SUMMARY STATEMENT OF SHARE CAPITAL**

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Authorised</b>				
Equity Shares of Rs 10/- each	500.00	500.00	500.00	500.00
<b>Total</b>	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>
Issued, Subscribed and Fully paid Up Capital	182.54	182.54	118.54	68.54
<b>Total</b>	<b>182.54</b>	<b>182.54</b>	<b>118.54</b>	<b>68.54</b>

**Notes-1.1**

(i) The company has only one class of equity share having a par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees.

(ii) All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings.

(iii) The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting.

(iv) In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding

**Notes 1.2 Reconciliation of Shares at the beginning and at the end of the year**

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
No of Equity Shares outstanding at the beginning of the year	18,25,377	11,85,377	6,85,377	6,85,377
Add: Bonus Shares issued	-	-	-	-
Add: Equity Shares Issued	-	6,40,000	5,00,000	-
No of Equity Shares outstanding at the end of the year	18,25,377	18,25,377	11,85,377	6,85,377

**Notes 1.3 Details of Shareholding more than 5% share in the company**

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
	No of Shares %	No of Shares %	No of Shares %	No of Shares %
<b>Suresh P. Jain</b>	847872. 46.45%	847872. 46.45%	492872 42%	160000 23.34%
<b>Next Orbit Ventures Capital</b>		425000 23.28%	225000 18.98%	
<b>Vivek Naval Kishore Gupta</b>				35700 5.21%
<b>Vikal Bankelal Chaurasiya</b>		90000 4.93%		

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE-2 RESTATED SUMMARY STATEMENT OF RESERVES AND SURPLUS

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Profit &amp; Loss Account</b>				
Opening balance	-42.52	-40.26	-40.64	-33.86
Add: Net Profit after tax transferred from Statement of Profit and Loss	-96.21	-2.26	0.38	-6.78
Total	-138.73	-42.52	-40.26	-40.64
Securities Premium				
Balance at the beginning of the year	171.00	75.00	0.00	0.00
Add: Share Premium during the year	0.00	96.00	75.00	0.00
<b>Total</b>	<b>171.00</b>	<b>171.00</b>	<b>75.00</b>	<b>0.00</b>
<b>TOTAL RESERVE AND SURPLUS</b>	<b>32.27</b>	<b>128.48</b>	<b>34.74</b>	<b>-40.64</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV.

#### ANNEXURE-3 RESTATED SUMMARY STATEMENT OF LONG TERM BORROWINGS

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>A. Secured Loans</b>				
From Banks	13.94	12.98	0.00	0.00
<b>Total(A)</b>	<b>13.94</b>	<b>12.98</b>	<b>0.00</b>	<b>0.00</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE-4 RESTATED SUMMARY STATEMENT OF SHORT TERM BORROWINGS

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Unsecured Loans</b>				
Loan from Saloni Suresh Jain	0.00	0.00	4.95	0.00
Suncap SS Global Ventures P Ltd-Inter Corporate	22.50	0.00	0.00	
Loan From Suresh Jain	10.50	0.00	0.00	
<b>Total</b>	<b>33.00</b>	<b>0.00</b>	<b>4.95</b>	<b>0.00</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE-5 RESTATED SUMMARY STATEMENT OF TRADE PAYABLES

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Trade Payables Due to</b>				
Micro and Small enterprise				
Others	17.04	17.35	1.15	0.55



Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Total</b>	<b>17.04</b>	<b>17.35</b>	<b>1.15</b>	<b>0.55</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-6 RESTATED SUMMARY STATEMENT OF CURRENT TAX LIABILITIES (NET)**

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Provision for Income tax				
AY 2021-22	0.06	0.06	0.06	0.00
<b>Total</b>	<b>0.06</b>	<b>0.06</b>	<b>0.06</b>	<b>0.00</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-7 RESTATED SUMMARY STATEMENT OF OTHER CURRENT LIABILITIES**

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Current Maturity of Long term Debt		3.72		
TDS Payable	0.07	0.27	0.09	0.00
Employee Professional Tax	0.37	0.04	0.01	0.00
Provision for Expenses	0.17	0.00	0.00	0.00
Employees Contribution to ESIC	0.01	0.00	0.00	0.00
Employees Contribution to P.F.	0.10	0.00	0.00	0.00
Other payables	1.92	0.00	0.00	0.00
<b>Total</b>	<b>2.64</b>	<b>4.03</b>	<b>0.09</b>	<b>0.00</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE-8 RESTATED SUMMARY STATEMENT OF PROPERTY, PLANT AND EQUIPMENT**

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Tangible Assets</b>				
Plant And Machinery				
Gross Block at the Beginning of the Year	2.18	0.00	0.00	0.00
Addition During the Year	0.00	2.18	0.00	0.00
Deletion During the Year	0.00	0.00	0.00	0.00
Less: Accumulated Depreciation	0.46	0.19	0.00	0.00
<b>Net Block</b>	<b>1.71</b>	<b>1.98</b>	<b>0.00</b>	<b>0.00</b>
<b>Furniture and Fixture</b>				
Gross Block at the Beginning of the Year	1.25	0.90	0.90	0.90
Addition During the Year	1.10	0.35	0.00	0.00
Deletion During the Year	0.00	0.00	0.00	0.00
Less: Accumulated Depreciation	1.10	0.89	0.86	0.86
<b>Net Block</b>	<b>1.25</b>	<b>0.36</b>	<b>0.05</b>	<b>0.05</b>

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Vehicles</b>				
Gross Block at the Beginning of the Year	15.98	0.00	0.00	0.00
Addition During the Year	0.00	15.98	0.00	0.00
Deletion During the Year	0.00	0.00	0.00	0.00
Less: Accumulated Depreciation	3.99	0.30	0.00	0.00
<b>Net Block</b>	<b>11.99</b>	<b>15.68</b>	<b>0.00</b>	<b>0.00</b>
<b>Computer Equipments</b>				
Gross Block at the Beginning of the Year	4.84	1.83	1.83	1.83
Addition During the Year	1.84	3.01	0.00	0.00
Deletion During the Year	0.00	0.00	0.00	0.00
Less: Accumulated Depreciation	3.22	1.85	1.74	1.74
<b>Net Block</b>	<b>3.47</b>	<b>2.99</b>	<b>0.09</b>	<b>0.09</b>
<b>Air Conditioner</b>				
Gross Block at the Beginning of the Year	0.51	0.51	0.51	0.51
Addition During the Year	0.00	0.00	0.00	0.00
Deletion During the Year	0.00	0.00	0.00	0.00
Less: Accumulated Depreciation	0.48	0.48	0.48	0.48
<b>Net Block</b>	<b>0.03</b>	<b>0.03</b>	<b>0.03</b>	<b>0.03</b>
<b>Tools And Equipments</b>				
Gross Block at the Beginning of the Year	0.28	0.00	0.00	0.00
Addition During the Year	1.02	0.28	0.00	0.00
Deletion During the Year	0.00	0.00	0.00	0.00
Less: Accumulated Depreciation	0.17	0.01	0.00	0.00
<b>Net Block</b>	<b>1.13</b>	<b>0.27</b>	<b>0.00</b>	<b>0.00</b>
<b>Office Equipments</b>				
Gross Block at the Beginning of the Year	0.65	0.31	0.31	0.31
Addition During the Year	0.29	0.35	0.00	0.00
Deletion During the Year	0.00	0.00	0.00	0.00
Less: Accumulated Depreciation	0.51	0.36	0.27	0.27
<b>Net Block</b>	<b>0.43</b>	<b>0.29</b>	<b>0.04</b>	<b>0.04</b>
<b>Total tangible assets</b>	<b>20.00</b>	<b>21.59</b>	<b>0.20</b>	<b>0.20</b>
<b>Intangible Assets</b>				
Software				
Gross Block at the Beginning of the Year	0.57	0.00	0.00	0.00
Addition During the Year	0.86	0.57	0.00	0.00
Deletion During the Year	0.00	0.00	0.00	0.00
Less: Accumulated Depreciation	0.38	0.03	0.00	0.00
<b>Total Intangible Assets</b>	<b>1.05</b>	<b>0.54</b>	<b>0.00</b>	<b>0.00</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE-9 RESTATED SUMMARY OF OTHER NON- CURRENT ASSETS

(Rs In Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Secured Deposits</b>	11.00	11.00	0.06	0.06
TDS receivable	1.32	1.32	0.15	0.45
	<b>12.32</b>	<b>12.32</b>	<b>0.21</b>	<b>0.51</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE-10 RESTATED SUMMARY OF INVENTORIES

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(a) Raw Materials	25.19	10.89	0.00	0.00
(b) Work-in Progress	5.23	4.82	0.00	0.00
(c) Finished Goods	0.00	2.01	0.00	0.00
<b>Total</b>	<b>30.42</b>	<b>17.72</b>	<b>0.00</b>	<b>0.00</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE-11 RESTATED SUMMARY OF TRADE RECEIVABLES

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Unsecured &amp; Considered Good</b>				
Over Six Months	0.85	0.00	0.00	0.00
Less than Six Months	16.11	0.15	0.00	0.00
<b>Total</b>	<b>16.96</b>	<b>0.15</b>	<b>0.00</b>	<b>0.00</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE-12 RESTATED SUMMARY OF CASH AND CASH EQUIVALENTS

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Balances with banks		45.94	127.06	0.52
Bank deposits with more than twelve months maturity	2.83	100		
Cash on hand	0.17	0.35	0.00	0.07
<b>Total</b>	<b>3.00</b>	<b>146.29</b>	<b>127.07</b>	<b>0.59</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE-13 RESTATED SUMMARY OF SHORT TERM LOANS & ADVANCES

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
MAT Credit Entitlement	0.06	0.06	0.06	0.06
<b>Total</b>	<b>0.06</b>	<b>0.06</b>	<b>0.06</b>	<b>0.06</b>

#### Notes:

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 14 RESTATED SUMMARY OF OTHER CURRENT ASSETS**

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Prepaid Expenses	0.89	0.25	0.00	0.00
Advance recoverable in cash or kind	141.80	108.72	1.59	27.60
Input Gst	10.27	5.50	0.00	0.00
Interest accrued on FD	0.45	2.92	0.00	0.00
<b>TOTAL</b>	<b>153.41</b>	<b>117.38</b>	<b>1.59</b>	<b>27.60</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 15 RESTATED SUMMARY OF REVENUE FROM OPERATIONS**

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Sale of products	36.90	105.02	0.00	0.00
Sale of products				
Sale of services	0.00	5.83	2.05	4.55
<b>Revenue from operations</b>	<b>36.90</b>	<b>110.85</b>	<b>2.05</b>	<b>4.55</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 16 RESTATED SUMMARY OF OTHER INCOME**

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Other non-operating income				
Interest Income	0.35	3.92	0.00	0.09
Discount Received	0.00	0.22	0.00	0.00
Net gain (loss) on sale of investments	0.00	63.23	9.03	0.00
Other non-operating income	0.00	0.08	0.23	0.00
<b>Total</b>	<b>0.35</b>	<b>67.45</b>	<b>9.26</b>	<b>0.09</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 17 RESTATED SUMMARY OF COST OF MATERIAL CONSUMED**

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Raw Material</b>				
Opening Stock	10.89	0.00	0.00	0.00
Add: Purchases	36.80	19.53	0.00	0.00
Less: Closing Stock	(25.19)	(10.89)	0.00	0.00
<b>Cost of Raw Material Consumed</b>	<b>22.50</b>	<b>8.63</b>	<b>0.00</b>	<b>0.00</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE 18 RESTATED SUMMARY OF CHANGES IN INVENTORIES

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Finished Goods</b>				
Opening stock	2.01	0.00	0.00	0.00
Closing Stock	0.00	2.01	0.00	0.00
Work in progress and stock in trade				
Opening stock	4.82	0.00	0.00	0.00
Closing Stock	5.23	4.82	0.00	0.00
<b>Changes in inventory</b>	<b>1.60</b>	<b>(6.82)</b>	<b>0.00</b>	<b>0.00</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE 19 RESTATED SUMMARY OF EMPLOYEE BENEFIT EXPENSES

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Salary & Wages	60.46	22.54	0.60	2.16
Staff welfare expenses	2.72	1.95	0.00	0.00
<b>Total</b>	<b>63.18</b>	<b>24.48</b>	<b>0.60</b>	<b>2.16</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE 20 RESTATED SUMMARY OF FINANCE COSTS

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Borrowing Costs	0.78	0.09	0.00	0.02
Interest Expenses	0.15	0.41	0.05	0.11
<b>Total</b>	<b>0.93</b>	<b>0.50</b>	<b>0.05</b>	<b>0.13</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE 21 RESTATED SUMMARY OF OTHER EXPENSES

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Administrative and Selling Expenses</b>				
Insurance	0.20	0.02	0.00	0.00
Product development expenses	0.86	5.25	0.00	0.00
Repairs to machinery	2.71	1.24	0.00	0.00
Communication expenses	0.70	0.49	0.00	0.01
CSR expenses	0.00	0.00	0.00	0.00
CDSL/NSDL Charges	0.30	1.27	0.36	0.34
Directors' remuneration (including sitting fees)	0.00	14.30	0.00	0.06
Electricity Expenses	0.06	0.04	0.00	0.00
Interest/fees on TDS	0.03	0.00	0.01	0.00

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Legal Professional & consultancy charges	8.02	7.11	2.22	2.4
Listing & Processing fess	2.25	5.66	5.66	3.54
Misc. Expenses	0.00	1.19	0.37	0.00
Office expenses	0.27	0.60	0.39	0.00
Payment to Auditors	0.00	1.00	0.50	0.24
Postage telegram & courier charges	0.00	0.58	0.00	0.00
Printing & stationary	2.45	0.96	0.09	0.00
Professional Tax	0.03	0.03	0.03	0.05
Rent (Office)	5.88	6.38	0.00	0.00
ROC Fees	0.11	0.13	0.18	0.08
Travelling & Conveyance expenses	7.62	5.49	0.00	0.33
Transaction & other charges	0.00	1.56	0.00	0.00
Selling & Distribution Expenses	2.05	4.04	0.19	0.17
Other Expenses	5.53	2.02	0.27	1.80
Sundry balance w/off	0.00	0.06	0.00	0.00
<b>Total</b>	<b>39.07</b>	<b>59.41</b>	<b>10.28</b>	<b>9.02</b>

#### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

#### ANNEXURE 22 RESTATED SUMMARY OF CONTINGENT LIABILITIES AND COMMITMENTS

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
a) Bills Discounted from Banks	NIL	NIL	NIL	NIL
b) Bank Guarantee issued by bank	NIL	NIL	NIL	NIL
c) Corporate Guarantee given by company	NIL	NIL	NIL	NIL
d) Duty saved against Advanced Authorization/EPCG	NIL	NIL	NIL	NIL
e) Claim against company does not acknowledge as debt.	NIL	NIL	NIL	NIL
1) In respect of Income tax	NIL	NIL	NIL	NIL
2) In respect of Sales tax	NIL	NIL	NIL	NIL
3) In respect of Service tax / excise duty	NIL	NIL	NIL	NIL
4) In respect of Capital account transaction	NIL	NIL	NIL	NIL

#### ANNEXURE 23 RESTATED SUMMARY OF RELATED PARTIES TRANSACTIONS

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Transactions during the year with related parties and KMP</b>				
<b>Salary</b>				
Vikal Bankelal Chaurasiya	1.50	3.50	--	--
Rajeev Shankar Godhkindi	1.50	3.70	--	--
Manoj Iyer	9.25	7.09	--	--
	<b>12.25</b>	<b>14.29</b>	<b>--</b>	<b>--</b>
<b>Sales</b>				
Jain Business Services	0.48	0.21	--	--
	<b>0.48</b>	<b>0.21</b>	<b>--</b>	<b>--</b>
<b>Rent</b>				
Jain Business Services	4.80	3.50	--	--
	<b>4.80</b>	<b>3.50</b>	<b>--</b>	<b>--</b>

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Consultancy fees received/ Purchases</b>				
Jain Business Services			1.13	--
Hygienix Techno Services Pvt Ltd		2.14	--	--
		<b>2.14</b>	<b>1.13</b>	<b>--</b>
<b>Investment in Subsidiary</b>				
Alan Scott Retail Ltd	8.49	8.49	--	--
Alan Scott Health and Hygiene Ltd	8.00		--	--
Alan Scott Nanoveu India Ltd	6.90		--	--
	<b>23.40</b>	<b>8.49</b>	<b>--</b>	<b>--</b>
<b>Loan to Subsidiary</b>				
Alan Scott Retail Ltd	116.09	85.90	--	--
Alan Scott Health and Hygiene Ltd	23.35		--	--
Alan Scott Nanoveu India Ltd	1.91		--	--
	<b>141.35</b>	<b>85.90</b>	<b>--</b>	<b>--</b>
<b>Net Unsecured Loan taken</b>				
Mrs Saloni Suresh Jain				
Suresh Jain	10.50	(4.95)	4.95	--
Suncap SS Global Ventures P Ltd-Inter Corporate	<b>22.50</b>	--	--	--
	<b>33.00</b>	<b>(4.95)</b>	<b>4.95</b>	<b>--</b>
<b>23.3 Balances as at the year end</b>				
<b>Unsecured Loans</b>				
Mrs Saloni Suresh Jain		--	<b>4.95</b>	--
Suresh Jain	<b>10.50</b>	--	--	--
Suncap SS Global Ventures P Ltd-Inter Corporate	<b>22.50</b>	--	--	--
	<b>33.00</b>	<b>--</b>	<b>4.95</b>	<b>--</b>

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 24 RESTATED SUMMARY OF ACCOUNTING RATIOS**

(Rs in Lakhs)

Ratio	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Restated PAT as per statement of profit and loss (A)	-96.21	-2.26	0.38	-6.78
No. of Equity Shares at the beginning of the year / period (B)	18.25377	11.85377	6.85377	6.85377
Weighted average number of equity shares at the end of the year before bonus issue	18.25377	15.58710	6.93596	6.85377
Equivalent Weighted average Number of Equity Shares at the end of the year	18.25377	15.58710	6.93596	6.85377
No of equity shares at the end of the year (C)	18.25377	18.2538	11.85377	6.85377
Net Worth, as Restated (D)	214.81	311.02	153.28	27.89
Current Assets	224.73	310.98	159.13	28.19
Current Liabilities	52.75	21.44	6.26	1.00
Earnings Per Share	(5.27)	(0.12)	0.06	(0.99)
Return on net worth (%) (A/D)	-44.78%	-0.73%	0.25%	-24.30%
Net Asset value per Equity Share-After Bonus & Right Issue (D/C)	11.76	17.04	12.93	4.07
Current Ratio	4.26	14.51	25.43	28.06
EBITDA	-89.08	-1.398	-0.384	-6.56

Ratio	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Nominal value per equity share (Rs.)	10.00	10.00	10.00	10.00

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV

**ANNEXURE 25 RESTATED SUMMARY OF STATEMENT OF TAX SHELTERS**

(Rs in Lakhs)

Particulars	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
<b>Profit before tax, as restated (A)</b>	(96.21)	(2.26)	0.38	(6.67)
Normal Corporate Tax Rate (%)	25%	25%	25%	25%
Minimum Alternative Tax Rate (%)	15%	15%	15%	15%
<b>Adjustments:</b>				
<b>Permanent differences</b>				
Expenses disallowed under Income Tax Act, 1961	0.00	0.00	0.27	0.00
<b>total permanent difference (B)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.27</b>	
<b>Income considered separately (C.)</b>	0.00	0.00	0.00	
<b>Timing differences</b>				
Depreciation as per Books	6.20	0.77	0.00	0.00
Depreciation as per IT Act	(5.26)	(3.51)	(0.03)	(0.05)
<b>Total timing differences (D)</b>	<b>0.94</b>	<b>(2.73)</b>	<b>(0.03)</b>	<b>(0.05)</b>
<b>Net adjustments E = (B+C+D)</b>	0.94	-2.73	0.23	(0.05)
<b>Tax expense / (saving) thereon</b>	0.00	0.00	0.00	0.00
<b>Income from other sources (F)</b>	0.00	0.00	0.00	0.00
<b>Exempt Income (G)</b>	0.00	0.00	0.00	0.00
<b>Taxable income/(loss) (A+E+F-G)</b>	<b>(95.27)</b>	<b>(4.99)</b>	<b>(0.62)</b>	<b>(6.72)</b>
<b>Tax as per Normal Provision</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Taxable income/(loss) as per MAT</b>	<b>(96.21)</b>	<b>(2.26)</b>	<b>0.38</b>	<b>(6.67)</b>
<b>Income tax as per MAT</b>	<b>0.00</b>	<b>0.00</b>	<b>0.06</b>	<b>0.00</b>
<b>Tax paid as per "MAT" or "Normal Provisions"</b>	Normal	Normal	Normal	Normal

**Note**

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV



## CAPITALISATION STATEMENT

The following table sets forth our capitalization and total debt as of September 30, 2022 (based on our Restated Financial Statements) and as adjusted to give effect to the Issue. This table should be read in conjunction with the section titled '*Restated Financial Statements*', '*Risk Factors*', '*Management's Discussion and Analysis of Financial Position and Results of Operations*' and '*Other Financial Information*'.

(Rs in Lakhs)

Particulars		PRE ISSUE as on 31.12.2022	POST ISSUE
<b>Borrowings:</b>			
Short term Debt (A)		33.00	[●]
Long-term Debt (B)		13.94	[●]
<b>Total debts (C)</b>		<b>46.94</b>	<b>[●]</b>
<b>Shareholders' funds</b>			
Share capital		182.54	[●]
Reserve and surplus		32.27	[●]
<b>Total shareholders' funds (D)</b>		<b>214.81</b>	<b>[●]</b>
<b>Long term debt / shareholders' funds (B/D)</b>		<b>0.065</b>	<b>[●]</b>
<b>Total debt / shareholders' funds (C/D)</b>		<b>0.218</b>	<b>[●]</b>

### Note

The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures, I, II, III, IV.

The above has been computed on the basis of Restated Financial Statements.

## OTHER FINANCIAL INFORMATION

Based on Restated Financial Statement of our Company:

(Rs in Lakhs)

Ratio	As at Dec 31, 2022	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Restated PAT as per statement of profit and loss (A)	-96.21	-2.26	0.38	-6.78
No. of Equity Shares at the beginning of the year /period (B)	18.2538	11.85377	6.85377	6.85377
Weighted average number of equity shares at the end of the year before bonus issue	18.2538	15.58710	6.93596	6.85377
Equivalent Weighted average Number of Equity Shares at the end of the year	18.2538	15.58710	6.93596	6.85377
No of equity shares at the end of the year (C)	18.2538	18.2538	11.85377	6.85377
Net Worth, as Restated (D)	214.81	311.02	153.28	27.89
Current Assets	224.73	310.98	159.13	28.19
Current Liabilities	52.75	21.44	6.26	1.00
<b>Earnings Per Share</b>	<b>(5.27)</b>	<b>(0.12)</b>	<b>0.06</b>	<b>(0.99)</b>
Return on net worth (%) (A/D)	-44.78%	-0.73%	0.25%	-24.30%
Net Asset value per Equity Share–After Bonus & Right Issue (D/C)	11.76	17.04	12.93	4.07
Current Ratio	4.26	14.51	25.43	28.06
EBITDA	(89.08)	(1.40)	0.38	(6.56)
Nominal value per equity share (Rs.)	10.00	10.00	10.00	10.00

The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earning per share of the company remain the same.

1. The ratios have been calculated as below:
  - a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/Weighted Average Number of Equity Shares outstanding during the year;
  - b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/Weighted Average Number of Diluted Potential Equity Shares outstanding during the year;
  - c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/Net Worth X 100;
  - d) Restated Net Assets Value Per Equity Share (Rs.) = Restated Net Worth as at the end of the Year/Total Number of Equity Share outstanding during the Year;
2. Weighted Average Number of Equity is the number of Equity Share of Company calculated after adjusting for changes in the share capital over the reporting period;
3. Net Worth = Equity Share Capital + Reserves & Surplus (including surplus in the Statement of Profit & Loss and adjusted for losses, if any);
4. The figures disclosed above are based on the Restated Financial Statements of the Company.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the restated financial statement of our company for the half year ended 31<sup>st</sup> Dec, 2022 & financial years ended March 31, 2022, March 31, 2021 & March 31, 2020.

### OVERVIEW OF REVENUE & EXPENDITURE

Particulars	Period ended Dec 31, 2022	% of total revenue	Period ended Mar-31					
			2022	% of total revenue	2021	% of total revenue	2020	% of total revenue
I. Revenue from operations	36.90	99.034	110.85	62.17	2.05	18.15	4.55	98.07
II. Other income	0.35	0.9393	67.45	37.83	9.26	81.15	0.09	1.93
<b>III. Total Revenue (I + II)</b>	<b>37.26</b>	<b>100</b>	<b>178.30</b>	<b>100</b>	<b>11.31</b>	<b>100</b>	4.64	<b>100</b>
IV. Expenses:								
Cost of Material Consumed	22.50	60.387	8.64	4.84				
Purchases of stock-in-trade			93.58	52.49				
Changes in inventories of finished goods	1.60	4.294	(6.82)	(3.83)				
Employee benefits expense	63.18	169.565	24.48	13.73	0.60	5.30	2.16	46.55
Finance costs	0.93	2.4959	0.50	0.28	0.05	0.47	0.13	2.84
Depreciation and amortization expense	6.20	16.639	0.78	0.44	-	-	-	-
Other expenses	39.07	104.858	59.41	33.32	10.28	90.83	9.02	194.32
<b>Total expenses</b>	<b>133.47</b>	<b>358.213</b>	<b>180.57</b>	<b>101.27</b>	<b>10.93</b>	<b>96.60</b>	11.31	<b>243.71</b>
<b>V. Profit before exceptional and</b>	(96.21)	(258.213)	(2.26)	(1.27)	0.38	3.40	(6.67)	(143.71)
VI. Exceptional items	0	0	0	0	0	0	0	0
<b>VII.Profit before extraordinary items</b>	(96.21)	(258.213)	(2.26)	(1.27)	0.38	3.40	(6.67)	(143.71)
VIII.Extraordinary Items-	0	0	0	0	0	0	0	0
<b>IX. Profit before tax (VII- VIII)</b>	(96.21)	(258.213)	(2.26)	(1.27)	0.38	3.40	(6.67)	(143.71)
X. Tax expense:								
(1) Current tax	0	0	0	0	0	0	0	0
(2) Deferred tax	0	0	0	0	0	0	0	0
Adjustment relating to Prior period	0	0	0	0	0	0	0.11	2.38
<b>XI. Profit (Loss) for the period from continuing operations (VII-VIII)</b>	(96.21)	(258.213)	(2.26)	(1.2694)	0.38	3.40	(6.78)	(143.71)
XII.Profit/(loss) from discontinuing	0	0	0	0	0	0	0	0
XIII.Tax expense of discontinuing	0	0	0	0	0	0	0	0
<b>XIV.Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>	0	0	0	0	0	0	0	0

Particulars	Period ended Dec 31, 2022	% of total revenue	Period ended Mar-31					
			2022	% of total revenue	2021	% of total revenue	2020	% of total revenue
<b>XV. Profit (Loss) for the period (XI +</b>	(96.21)	<b>(258.213)</b>	(2.26)	<b>(1.27)</b>	0.38	<b>3.40</b>	(6.78)	<b>(143.71)</b>

### **Main Components of our Profit & Loss Account**

#### **Revenue**

Our total income comprises of revenue from operations and other income:

#### **Revenue from Operations**

Our revenue from operations accounted for 99.034%, 62.171%, 18.15%, and 98.071% as a percentage of our total income for period ended December 31, 2022 and for the Financial Year ended March 31, 2022, March 31, 2021 and March 31, 2020.

#### **Other Income**

Our other income comprises of interest income, discount received, and miscellaneous income. Other income as percentage of total income accounted for 0.9393%, 37.829%, 81.85%, and 1.929% as a percentage of our total income for period ended December 31, 2022 and for the Financial Year ended March 31, 2022, March 31, 2021 and March 31, 2020.

#### **Cost of Materials Consumed**

Cost of material consumed accounted for 60.387%, 4.84%, (0%), and (0% ) as a percentage of our total income for period ended December 31, 2022 and for the Financial Year ended March 31, 2022, March 31, 2021 and March 31, 2020.

#### **Changes in Inventories**

Changes in inventories of finished goods accounted for 4.294%, (3.83%), (0%), and (0%) as a percentage of our total income for period ended December 31, 2022 and for the Financial Year ended March 31, 2022, March 31, 2021 and March 31, 2020.

#### **Employee Benefit Expenses**

Employee Benefit Expenses include expenses in relation to employees' remuneration and benefits including salary and wages, incentives to employees, Employees' State Insurance Corporation contribution and Employees' Provident Fund contribution. Employee benefit expenses accounted for 169.565%, 13.73%, 5.30%, and 46.55% as a percentage of our total income for period ended December 31, 2022 and for the Financial Year ended March 31, 2022, March 31, 2021 and March 31, 2020.

#### **Finance Cost**

Our finance cost majorly consists of bank charges and interest expenses. Finance costs accounted for 2.4959%, 0.28%, 0.47%, and 2.84% as a percentage of our total income for period ended December 31, 2022 and for the Financial Year ended March 31, 2022, March 31, 2021 and March 31, 2020.

#### **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses primarily consist of depreciation on the building, plant and machinery, office equipments, computer equipments, furniture and fixtures, and intangible assets. Depreciation and amortization expenses accounted for 16.639%, 0.44%, 0%, and 0% as a percentage of our total income for period ended December 31, 2022 and for the Financial Year ended March 31, 2022, March 31, 2021 and March 31, 2020.

## **Other Expenses**

Our other expenses are sub-divided into administrative and selling expenses such as rates and taxes, packing material, rent expenses, advertisement expenses, auditor remuneration, commission expenses, electricity expenses, insurance expenses, interest on income tax, legal and professional charges, office expenses, other expenses, postage and telephone expense, repair and maintenance, ROC expenses, license fees, stamp charges and lease fees, stationary and printing, transportation, travelling and conveyance, penalty and late fees, miscellaneous expenses etc. Our other expenses accounted for 104.858%, 33.32%, 90.83%, and 194.32% as a percentage of our total income for period ended December 31, 2022 and for the Financial Year ended March 31, 2022, March 31, 2021 and March 31, 2020.

## **Provision for Tax**

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

## **Review for the period ended as on December 31, 2022**

### **Revenue**

Our total revenue for the period ended on December 31, 2022 was ₹37.26 Lakhs.

In the current period, the revenue earned from operations is ₹36.90 Lakhs accounting for 99.034% of the total income. Other income for said period was recorded at ₹0.35 lakhs accounting for 0.9393% of total income.

### **Cost of Materials consumed**

The purchases for the period ended on December 31, 2022 were ₹22.50 Lakhs which accounted for 60.387% of our total revenue.

### **Changes in Inventories**

Changes in inventories of finished goods for the period ended on December 31, 2022 was ₹1.60 Lakhs which accounted for 4.294 % of our total revenue.

### **Employee Benefit Expenses**

Our Employee Benefit Expenses for the period ended on December 31, 2022 was ₹63.18 lakhs which accounted for 169.565% of our total revenue.

### **Finance Cost**

Our finance cost for the period ended on December 31, 2022 stood at ₹0.93 Lakhs which accounted for 2.4959% of our total revenue.

### **Depreciation and Amortization Expenses**

Our depreciation and amortization expenses for the period ended on December 31, 2022 was ₹6.20 Lakhs which accounted for 16.639% of our total revenue.

### **Other Expenses**

Our other expenses for the period ended on December 31, 2022 was ₹39.07 Lakhs which accounted for 104.858% of our total revenue.

### **Profit before Tax**

Profit/ (Loss) before Tax for period ended on December 31, 2022 was ₹(96.21) Lakhs.

### **Profit after Tax**

Profit/ (Loss) after Tax for period ended on December 31, 2022 was ₹(96.21) Lakhs.

### **Financial Year 2021-22 compared with Financial Year 2020-21**

#### **Revenue**

Our total revenue for Financial Year 2021-22 was 178.30 Lakhs, an increase of 1576.4% over the total revenue of 11.31 Lakhs in Financial Year 2020-21.

#### **Revenue from Operations**

Our revenue from operations for Financial Year 2021-22 was ₹110.85 Lakhs, an increase of 5407.31% over the total revenue of ₹2.05 Lakhs in the Financial Year 2020-21

#### **Expenditure**

##### **Total Expenses**

The total expenditure for Financial Year 2021-22 and the Financial Year 2020-21 are ₹180.57 Lakhs and ₹10.93 Lakhs, respectively which is 101.27% and 96.6% of total revenue. The expenses increased by 1651.96%, whereas revenue increased by 1576.4% in the Financial Year 2021-22.

#### **Profit/ (Loss) After Tax**

For the Financial Year 2021-22 the PAT stood at negative (2.26) Lakhs as against the PAT of 0.38 Lakhs for the Fiscal 2021 which accounted for a decrease in PAT by (597.368)% for Financial Year 2020-21.

### **Financial Year 2020-21 compared with Financial Year 2019-20**

#### **Revenue**

Our company recorded a total revenue of 11.31 Lakhs for the Financial Year 2020-21, an increase in revenue accounting for 143.82% over the total revenue of 4.64 Lakhs in the Financial Year 2019-20.

#### **Revenue from Operations**

Our revenue from operations increased to 2.05 Lakhs in the Financial Year 2020-21, a decrease of 54.88% over revenue of the 4.55 Lakhs for Financial Year 2019-20.

#### **Other Income**

Our other income for the Financial Year 2020-21 was 9.26 Lakhs as compared to ₹0.09 Lakhs recorded in Financial Year 2019-20 representing an increase of 10245.98%.

#### **Expenditure**

##### **Total Expenses**

The total expenditure for the Financial Year 2020-21 and the Financial Year 2019-20 are ₹10.93 Lakhs and ₹11.31 Lakhs respectively, representing a decrease of 3.35%.

#### **Profit/ (Loss) After Tax**

For the Financial Year 2020-21 the profit stood at 0.38 Lakhs as against the loss of 6.78 Lakhs for the Financial Year 2019-20. The decrease in loss by 105.67% is observed.

## Summary of cash Flows

(Rs In Lakhs)

Particulars	As at December 31, 2022	As at March 31		
		2022	2021	2020
Net Cash flow (used in)/ from operating activities:	(171.56)	(196.76)	18.37	(5.26)
Net Cash flow (used in)/ from Investing Activities:	(5.11)	(60.84)	(21.39)	-
Net Cash flow (used in)/ from Financing Activities:	33.38	176.82	129.50	0.34
Net Increase/ (decrease) in cash/ cash equivalents	(143.29)	(80.77)	126.48	(4.92)
Cash and Cash equivalents at the beginning	146.29	127.07	0.59	5.51
Cash and Cash equivalents at the end	3.00	46.29	127.07	0.59

### *Cash Flows from Operating Activities*

#### **Period ended December 31, 2022**

Our net cash received from operating activities for the period ended December 31, 2022 was negative 171.56 lakhs as compared to the net profit before income tax from continuing operations was negative 96.210 lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, short term loans and advances, other current assets, trade payables, other current liabilities.

#### **Financial Year 2021-2022**

Our net cash received from operating activities for the financial year ended March 31, 2022 was negative **196.76** lakhs as compared to the net profit before income tax from continuing operations was negative 2.26 lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, short term loans and advances, other current assets, trade payables, other current liabilities etc

#### **Financial Year 2020-2021**

Our net cash received from operating activities for the financial year ended March 31, 2021 was **18.37** lakhs as compared to the net profit before income tax from continuing operations was 0.38 lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, short term loans and advances, other current assets, trade payables, other current liabilities and short term provisions.

#### **Financial Year 2019-2020**

Our net cash received from operating activities for the financial year ended March 31, 2020 was negative 5.26 lakhs as compared to the net profit before income tax from continuing operations was negative 6.67 lakhs for the same period. This difference is primarily on account of changes in inventories, trade receivables, short term loans and advances, other current assets, trade payables, other current liabilities and short term provisions.

### *Cash Flows from Investing Activities*

#### **Period ended December 31, 2022**

Our net cash used in investing activities for the period ended as on December 31, 2022 was negative 5.11 lakhs. This was on account of purchase of investments.

#### **Financial Year 2021-2022**

Our net cash used in investing activities for the financial year ended March 31, 2022 was negative 60.84 lakhs. This was on account of purchase of fixed assets, dividend income and sale of current investments

#### **Financial Year 2020-2021**

Our net cash used in investing activities for the financial year ended March 31, 2021 was negative 21.39 lakhs. This was on account of purchase of fixed assets.

**Financial Year 2019-2020**

There was no cash generated from investing activities for the financial year ended March 31, 2020.

***Cash Flows from Financing Activities*****Period ended December 31, 2022**

Our Net cash used in financing activities for the period ended December 31, 2022 was 33.38 lakhs. This was on account of proceeds from issue of shares, proceeds from loan and payment of interest and finance charges.

**Financial Year 2021-2022**

Our Net cash used in financing activities for the financial year ended March 31, 2022 was 176.82 lakhs. This was on account of proceeds from loan and payment of interest and finance charges.

**Financial Year 2020-2021**

Our Net cash used in financing activities for the financial year ended March 31, 2021 was 129.5 lakhs. This was on account of proceeds from Issue of shares and payment of interest and finance charges.

**Financial Year 2019-2020**

Our Net cash used in financing activities for the financial year ended March 31, 2020 was 0.34 Lakhs. This was on account of repayment of loans and interest and finance charges.



## ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from the Audited Financial Information for the Financial Years ended on March 31, 2022 and March 31, 2021, and March 30, 2020. For further details please refer to the section titled '*Financial Information*' beginning on page 124 of this Draft Letter of Offer.

### ACCOUNTING RATIOS

Particulars	Based on Audited Financial Statements for the Financial Year ended on March 31,		
	2022	2021	2020
Basic earnings per Equity Share (₹)	(0.12)	0.03	(0.99)
Diluted earnings per Equity Share (₹)	(0.12)	0.06	(0.99)
Return on Net Worth (%)	(0.73)	0.25	(24.30)
Net Asset Value per Equity Share (₹)	₹17.04	₹12.93	₹4.07
EBITDA (₹)	(0.98)	(0.43)	(6.54)

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

Particular	Computation of Formulas
Basic earnings per Equity Share (₹)	(Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable) / (Weighted Average number of Equity Shares);
Diluted earnings per Equity Share (₹)	(Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable) / (Weighted Average number of Equity Shares (including convertible securities));
Return on Net Worth (%)	(Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)) / (Net worth at the end of the year);
Net Asset Value per Equity Share (₹)	(Net Worth) / (Number of Equity Shares outstanding for the year);
EBITDA (₹)	Profit for the year before finance costs, tax, depreciation, amortization and exceptional items as presented in the statement of profit and loss

#### Calculation of Return on Net Worth (%)

Particulars	Based on Audited Financial Statements for the Financial Year ending March 31,		
	2022	2021	2020
Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (₹) (A)	(2.26)	0.38	(6.78)
Net worth at the end of the year (₹) (B)	311.02	153.28	27.89
<b>Return on Net Worth (%) [(A)/(B)]</b>	<b>(0.73)</b>	<b>0.25</b>	<b>(24.30)</b>

#### Calculation of Net asset value per Equity Share

Particulars	Based on Audited Financial Statements for the Financial Year ending March 31,		
	2022	2021	2020
Net Worth (₹) (A)	311.02	153.28	27.89
Number of issued, subscribed and fully paid-up Equity Shares outstanding as at the year ended (Numbers) (B)	18.25	11.85	6.85
<b>Net Asset Value per Equity Share (₹) [(A)/(B)]</b>	<b>₹17.04</b>	<b>₹12.93</b>	<b>₹4.07</b>

**Calculation of Net Worth**

Particulars	Based on Audited Financial Statements for the Financial Year ending March 31,		
	2022	2021	2020
Equity Share capital (₹) (A)	182.54	118.54	68.54
Reserves and Surplus (₹) (B)	128.48	34.74	(40.64)
<b>Net Worth (₹) [(A)+(B)]</b>	<b>311.02</b>	<b>153.28</b>	<b>27.89</b>

**Calculation of EBITDA**

Particulars	Based on Audited Financial Statements for the Financial Year ending March 31,		
	2022	2021	2020
Net Profit/ (loss) after tax (₹) (A)	(2.26)	0.38	(6.78)
Income tax expenses (₹) (B)	-	-	0.11
Finance Cost (₹) (C)	0.50	0.05	0.13
Depreciation and amortization expense (₹) (D)	0.78	-	-
<b>EBITDA (₹) (A+B+C+D)</b>	<b>(0.98)</b>	<b>(0.43)</b>	<b>(6.54)</b>

## STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Company's Equity Shares are listed on BSE Limited, and the Rights Shares issued pursuant to this Issue will be listed on the said Stock Exchange. For further details, please refer to the section titled '*Terms of the Issue*' on page 202 of this Draft Letter of Offer.

Our Company shall make an application for being in receipt of the in-principle approval for listing of the Rights Shares on BSE Limited to be issued pursuant to this Issue. In pursuance of which, our Company is in receipt of in-principle approval from the Stock Exchange vide its letter bearing reference number [●] dated [●]. Our Company shall also make applications to the Stock Exchange to obtain trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

For the purpose of this section, unless otherwise specified:

- i. Year is a Financial Year;
- ii. 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;
- iii. 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
- iv. 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

1. The following tables set out the reported high, low, and average of the closing prices of our Equity Shares on the BSE and number of Equity Shares traded on the days on which such high and low prices were recorded for, and the volume of Equity Shares traded in the preceding 3 (Three) Financial Years:

Financial Year ending on March 31	High (₹)	Date of High	Number of Equity Shares traded on date of High	Total turnover of Equity Shares traded on date of High (₹)	Low (₹)	Date of Low	Number of Equity Shares traded on date of Low	Total turnover of Equity Shares traded on date of Low (₹)	Average Market Price for the Year (₹)	Total volume of Equity Shares traded in the Financial Year (in number)	
										(in number)	(₹ in Lakhs)
2022	₹342.30/-	10 <sup>th</sup> December, 2021	4109	13,28,139	₹22.75/-	06 <sup>th</sup> September, 2021	25	568	₹212.95/-	42,631	₹90.77
2021	₹22.95/-	26 <sup>th</sup> November, 2020	46	996	₹19.95/-	28 <sup>th</sup> October, 2020	303	6044	₹21.55/-	1,067	₹0.23
2020	₹20.05/-	02 <sup>nd</sup> March, 2020	609	12,210	₹15.80/-	28 <sup>th</sup> November, 2019	50	790	₹19.05/-	1,733	₹0.33

Source: [www.bseindia.com](http://www.bseindia.com)

2. The following tables set out the reported high, low, and average of the closing prices of our Equity Shares on BSE and number of Equity Shares traded on the days on which such high and low prices were recorded for, and the volume of Equity Shares traded in each of the last 6 (Six) Months:

Month	High (₹)	Date of High	Number of Equity Shares traded on date of High	Total turnover of Equity Shares traded on date of High (₹ in Lakhs)	Low (₹)	Date of Low	Number of Equity Shares traded on date of Low	Total turnover of Equity Shares traded on date of Low (₹ in Lakhs)	Average Market Price in the Month (₹)	No. of trading days in the period	Total volume of Equity Shares traded in the Month (in number)	
											(in number)	(₹ in Lakhs)
January 2023	₹63.75/-	January 27, 2023	9,543	5.81	50.60/-	January 11, 2023	16,042	8.20	₹58.00/-	21	2,62,870	₹152.46
December 2022	₹66.95/-	December 21, 2022	31,041	19.61	₹52.65/-	December 26, 2022	20,625	11.36	₹57.95/-	22	3,90,230	₹226.24
November 2022	₹75.05/-	November 25, 2022	57,636	42.75	₹37.25/-	November 01, 2022	9,640	3.84	₹56.00/-	21	6,16,794	₹345.39
October 2022	₹51.85/-	October 03, 2022	6,990	3.32	₹32.60/-	October 17, 2022	14,950	5.09	₹39.30/-	19	1,69,146	₹66.44
September 2022	₹59.00/-	September 01, 2022	13,440	7.51	₹43.10/-	September 08, 2022	21,928	9.53	₹50.75/-	22	2,63,245	₹133.62
August 2022	₹147.00/-	August 05, 2022	617	0.83	₹57.85/-	August 30, 2022	29,363	17.34	₹76.40/-	20	1,547	₹83.42

3. The Board has approved the Issue at their meeting held on November 18, 2022. The following table sets forth the market prices of our Equity Shares on the BSE on November 21, 2022, the first working day immediately following the date of the Board meeting

Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Turnover (₹ in Lakhs)
₹64.10/-	₹64.10/-	58.10	61.85	67,376	42.35

4. The high, low and average prices recorded on BSE, 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
Friday, February 17, 2023	₹54.30/-	₹58.45/-	Monday February 13, 2023	₹54.30/-	Friday, February 17, 2023
Friday, February 10, 2022	₹56.95/-	₹60.00/-	Tuesday, February 07, 2023	₹56.95/-	Friday, February 10, 2022
Friday, February 03, 2022	₹57.50/-	₹58.70/-	Thursday, February 02, 2023	₹56.55/-	Tuesday, January 31, 2023
Friday, January 27, 2022	₹59.95/-	₹60.75/-	Wednesday, January 25, 2023	₹59.95/-	Friday, January 27, 2022

The Issue Price of ₹30.00/- per Equity Share has been determined by the Board of Directors of our Company.

## SECTION VIII- OTHER INFORMATION

### OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

Except as disclosed below, 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, including criminal proceedings, statutory or regulatory actions as 'Material' in the opinion of the Board of directors under Regulation 30 of the SEBI Listing Regulations for the purpose of litigation disclosure in this draft Letter of Offer:

Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

#### CONTINGENT LIABILITIES OF OUR COMPANY

As on date of this Draft Letter of Offer, there are no contingent liabilities as per Ind AS – 37 Provisions and contingent liabilities of our Company.

For details of the contingent liabilities, as reported in the Restated Consolidated Financial Statements, please refer to the section titled '*Financial Information*' beginning on page 124 of this Draft Letter of Offer.

#### LITIGATION INVOLVING OUR COMPANY

##### A. Litigations Against Our Company

As on date of the Draft Letter of Offer, there are no proceedings filed against our Company.

##### B. Litigations Filed by Our Company

As on date of the Draft Letter of Offer, there are no proceedings filed by our Company.

##### C. Matters 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 on our Company.

##### D. 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.

##### E. 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;

##### F. 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, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;

## **LITIGATION INVOLVING OUR DIRECTORS, PROMOTERS AND PROMOTER GROUP**

As on date of this Draft Letter of Offer, there are no subsisting litigation filed by or against on our Directors and Promoter.

## **LITIGATION INVOLVING OUR SUBSIDIARY COMPANY**

As on date of this Draft Letter of Offer, there are no subsisting litigation filed by or against on our Subsidiary Companies.

## **LITIGATION INVOLVING OUR GROUP COMPANIES**

### **1) Litigation involving our Group Companies**

As on date of this Draft Letter of Offer, there are no group company.

## **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

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

## **DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET FOR THE FINANCIAL YEAR ENDING MARCH 31, 2022**

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 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 12 (Twelve) months to our knowledge.

## GOVERNMENT AND OTHER APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required by us to undertake this Issue and for our present business and except as mentioned below, no further material approvals are required for carrying on our present business operations. Unless otherwise stated, these approvals are valid as on the date of this Draft Letter of Offer.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.*

### I. Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. The Board of Directors in its meeting held on November 18, 2022 has approved / authorized the issue.;
- b. In-principle approval from [•] dated [•], to use their name for listing of Equity Shares issued by our Company.
- c. The ISIN of the Company is INE273F01022;

### II. Approvals Related to Incorporation of Company

Sr. No.	Description	CIN/Registration No.	Registrar	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation in the name of Suketu Fashions Limited	U18101MH1994PTC076732/11-76732 of 1994	Registrar of Companies, Maharashtra	February 22, 1994	Valid until Cancelled
2.	Certificate of commencement of Business in the Suketu Fashions Limited	U18101MH1994PTC076732/11-76732 of 1994	Registrar of Companies, Maharashtra	March 9, 1994	Valid until Cancelled
3.	Fresh Certificate of Incorporation in pursuant to change of name from Suketu Fashions Limited to Alan Scott Industries Limited	U18101MH1994PTC076732/11-76732 of 1994	Registrar of Companies, Maharashtra	October 24, 1997	Valid until Cancelled
4.	Fresh Certificate of Incorporation in pursuant to change of name from Alan Scott Industries Limited to Alan Scott Industries Limited	U18101MH1994PTC076732	Registrar of Companies, Maharashtra	September 9, 2006	Valid until Cancelled

### III. Tax Approvals in relation to our Company

Sr No.	Description	Authority	Registration Number	Date of Certificate	Validity Upto
1.	Permanent Account Number (PAN)	Income Tax Department	AABCS4036N	February 22, 1994	Valid till Cancelled
2.	Tax deduction Account Number (TAN)	Income Tax Department	MUMA19934F		Valid till Cancelled
3.	GST Registration for the state of Maharashtra	The Central Goods and Services Tax Act, 2017	27AABCS4036N2Z3	July 02, 2021	Valid till Cancelled
4.	Registration Certificate under Professional Tax	The Maharashtra State Tax on Professions,	99142165178P		Valid till Cancelled



Sr No.	Description	Authority	Registration Number	Date of Certificate	Validity Upto
		Trades, Callings and Employments Act, 1975			


**IV. Approvals Obtained in relation to business operations**

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
a.	MSME Registration Certificate	Ministry of Micro, Small and Medium Enterprise	UDYAM-MH-19-0070380	July 04, 2021	Valid till cancelled
b.	Import Export Certificate	Office of the Additional Director General of Foreign Trade, Mumbai	0394006216	May 18, 1994	Valid till cancelled

**V. Labour Related Approvals**

Sr. No.	Description	Authority	Registration Number
1.	Registration under ESIC	Under the Employees' State Insurance Act, 1948	35000662890001099
2.	Registration Certificate EPFO	The Employees Provident Fund & Miscellaneous Provision Act, 1952	Provident Fund (PF) Code-MHBAN2639155000

**VI. Intellectual property related approvals**

Sr. No.	Trademarks / Copyright	Class Trademark Type	Logo/ Device	Trademark Application No.	Class of the Trademark	Date of Application	Valid Up to	Registration Status
a)	Trademark	Device		5409684	05	April 14, 2022	-	Send to Vienna Codification

**VII. Details of the domain name in the name of our Company**

Domain Name
thealanscott.com

**VIII. Registration Certificate Yet to Receive**

Nil

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of the Board passed at its meeting held on [●], pursuant to Section 62(1)(a) of the Companies Act, 2013 and other applicable provisions.

Our Board in its meeting held on November 18, 2022, has resolved to issue Rights Equity Shares to the Eligible Equity Shareholders, at an issue price of ₹30.00/- per Rights Equity Shares. The Issue Price of ₹30.00/- per Rights Share has been arrived at, in consultation with the Lead Manager, prior to determination of the Record Date.

This Draft Letter of Offer has been approved by our Rights Issue Committee, at its meeting held on Thursday, February 23, 2022.

On Application, Investors will have to pay ₹10.00/- (Rupees Ten Only) per Rights Equity Shares, which constitutes 33.33% (Thirty-Three point Three Three Percent) of the Issue Price and the balance ₹20.00/- (Rupees Twenty Only) per Rights Share which constitutes 66.67% (Sixty Six point Six Seven Percent) of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined by our Board and, or, the Rights Issue Committee at its sole discretion.

Our Company has received 'in-principle' approvals from the BSE Limited vide its letter bearing reference number '[●]' dated '[●]', pursuant to Regulation 28 (1) of the SEBI (LODR) Regulations, for listing of the Rights Equity Shares to be Allotted pursuant to the Issue.

Our Company will also make applications to Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circular.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. Our Company has been allotted the ISIN [●] by the Depositories for the Rights Equity Shares to be issued pursuant to this Issue. For further details, kindly refer to the section titled '*Terms Of The Issue*' beginning on page 202 of this Draft Letter of Offer.

### PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoter, our Directors, and persons in control of our Company have not been and are not debarred and are not prohibited 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 securities market regulator in any other jurisdiction or any other authority/ court as on the date of this Draft Letter of Offer.

None of the companies with which our Promoters or our Directors are associated with as promoters or directors have been 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.

Neither our Promoter nor any of our Directors, have been declared a Wilful Defaulter or Fraudulent Borrower or Fugitive Economic Offender as defined under SEBI (ICDR) Regulations.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are, in any manner, associated with the securities market.

There are no outstanding action(s) initiated by SEBI against our Directors in the 5 (Five) years preceding the date of this Draft Letter of Offer.

### PROHIBITION BY RBI

Neither our Company, nor our Promoter or any of our Directors, have been categorized or identified or declared as a Wilful Defaulter or Fraudulent Borrower.

## **CONFIRMATION UNDER COMPANIES (SIGNIFICANT BENEFICIAL OWNERS) RULES, 2018**

Our Company and our Promoter are in compliance with the requirements of the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Draft Letter of Offer.

### **ELIGIBILITY FOR THE ISSUE**

Our Company is a listed company, incorporated under the Companies Act, 1956. The Equity Shares of our Company are currently listed on BSE Limited. Our Company is eligible to offer the Rights Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI (ICDR) Regulations and other applicable provisions of the SEBI (ICDR) Regulations.

On December 20, 2019, a share purchase agreement had been executed between Soketu Parikh, Concord Capitals Private Limited (erstwhile promoters of our Company) with current Promoter, Suresh Kumar Jain, for acquisition of equity shares and change in control and management of our Company. Due to the said share purchase agreement, an open offer had been triggered during the Financial Year 2019-2020. Since this Rights Issue is being made for the first time subsequent to the change in the management of our Company, and since, a period of 3 (Three) full year hasn't elapsed post-change, our Company is mandated to satisfy the condition set out at Clause 3 (a) of Part B of Schedule VI to the SEBI (ICDR) Regulations. Consequently, our Company is making disclosures in this Draft Letter of Offer in accordance with Part B-1 of Schedule VI to the SEBI (ICDR) Regulations.

### **COMPLIANCE WITH REGULATION 61 AND 62 OF THE SEBI (ICDR) REGULATIONS**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI (ICDR) Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI (ICDR) Regulations, our Company has made applications to the Stock Exchanges and has received their 'in-principle' approvals for listing of the Rights Equity Shares to be issued pursuant to this Issue. BSE is the Designated Stock Exchange for the Issue.

### **COMPLIANCE WITH CLAUSE (1) OF PART B OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS**

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI (ICDR) Regulations as explained below:

1. Our Company has been filing periodic reports, statements, and information in compliance with the Listing Agreement or the SEBI (LODR) Regulations, as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with the SEBI and until date;
2. The reports, statements and information referred to above in clause (1) are available on the website of BSE Limited;
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board our Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

### **DISCLAIMER CLAUSE OF SEBI**

This Draft Letter of Offer is being filed with BSE Limited as per the provisions of the SEBI (ICDR) Regulations. Further, our Company will simultaneously submit this Draft Letter of Offer to SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in accordance SEBI circular bearing reference number 'SEBI/HO/CFD/DIL1/CIR/P/2018/011' dated January 19, 2018, issued by the SEBI. Further, in light of the SEBI notification dated March 27, 2020, our Company will submit a copy of this Letter of Offer to the e-mail address at [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in).

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THIS DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. THE BOARD OF**

**DIRECTORS HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT LETTER OF OFFER.**

#### **DISCLAIMER CLAUSES FROM OUR COMPANY**

Our Company accepts no responsibility for statements made other than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in this Issue will be deemed to have represented to our Company that they are eligible under all applicable law, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares, and are relying on independent advice/ evaluation as to their ability and quantum of investment in the Issue. Our Company accepts no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

#### **CAUTION**

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Equity 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 Rights Equity Shares and the Rights Entitlements, 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.

#### **DISCLAIMER WITH RESPECT TO JURISDICTION**

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

#### **DESIGNATED STOCK EXCHANGE**

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

#### **DISCLAIMER CLAUSE OF BSE LIMITED**

As required, a copy of this Draft Letter of Offer has been submitted to the BSE Limited. BSE Limited has given vide its letter dated [●] to use its name in this Draft Letter of Offer. The Disclaimer Clause as shall be intimated by the BSE Limited to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with BSE Limited.

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 this Draft 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.

## **SELLING RESTRICTIONS**

The distribution of this Issue Documents and the issue of Rights Entitlements and the Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come, are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and in accordance with the SEBI (ICDR) Regulations, our Company will send / dispatch the Issue Materials only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlements and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible 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. 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 dispatch the Issue Materials, shall not be sent any Issue Materials.

## **LISTING**

Our Company will apply to BSE for final approval 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 the Issue will trade after the listing thereof.

## **CONSENTS**

Consents in writing of our Directors, Company Secretary, Compliance Officer, Chief Financial Officer, Statutory Auditors, Independent Chartered Accountant, Legal Counsels, the Registrar to the Issue, the Bankers to the Issue, and Experts to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this DRAFT Letter of Offer.

## **EXPERT OPINION**

Our Company has received written consent dated November 22, 2022, from M/s. Pravin Chandak & Associates, the Statutory Auditors of our Company, to include its name as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in this Draft Letter of Offer to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report Restated Financial Statements; and (ii) the Statement of Special Tax Benefits available to our Company and its shareholders dated February 16, 2023 included in this Draft Letter of Offer and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

The term 'expert' and 'consent' thereof shall not be construed to mean an 'expert' or 'consent' as defined under the U.S. Securities Act.

Except for the abovementioned documents, provided by our Statutory Auditors, our Company has not obtained any expert opinions.

## PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC / RIGHTS ISSUE OF OUR COMPANY

Our Company has not undertaken any rights issues or public issues during the 5 years immediately preceding the date of this Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

## STOCK MARKET DATA OF THE EQUITY SHARES

Our Equity Shares are listed and traded on BSE. For details in connection with the stock market data of the Stock Exchanges, see '*Stock Market Data for equity shares of our Company*' on page 183 of this Draft Letter of Offer.

## 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 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. Purva Shareregistry (India) Private Limited is our Registrar to the Issue. All investor grievances received by us have been handled by the Registrar in consultation with the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 7 (Seven) days from the date of receipt of the complaint.

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

Investors may contact the Registrar to the Issue, or our Company Secretary, or our Compliance Officer for any Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole / first holder, folio number or demat account number, serial number of the Application Form, number of the Rights Equity 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 202 of this Draft Letter of Offer.

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

Company Secretary and Compliance Officer	Registrar to the Issue
<b>Miss Sneha Shukla</b> <b>Address:</b> No. 302, Kumar Plaza, Near Kalina Masjid, Kalina Kurla Road, Santacruz East, Mumbai – 400029, Maharashtra, India <b>Contact Details:</b> 022-61786000/001 <b>Email-ID:</b> alanscottcompliance@gmail.com	<b>Purva Shareregistry (India) Private Limited</b> Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai – 400011, Maharashtra, India <b>Contact Number:</b> 022-9136993917/ 18 <b>Website:</b> <a href="http://www.purvashare.com">www.purvashare.com</a> <b>Email Address/ Investor Grievance E-Mail Address:</b> <a href="mailto:support@purvashare.com">support@purvashare.com</a> <b>Contact Person:</b> Ms. Deepali Dhuri <b>SEBI Registration Number:</b> INR000001112

<b>Company Secretary and Compliance Officer</b>	<b>Registrar to the Issue</b>
	<b>Validity:</b> Permanent;

## KEY INDUSTRY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an indicative summary of certain key industry laws, regulations and policies as notified by the Government of India or State Governments and other regulatory bodies, which are applicable to our Company. The information set below has been obtained from various legislations including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations set below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

Further, the statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Our Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled **‘Government and Other Approvals’** beginning on page 188 of this Draft Prospectus.

### INDUSTRY SPECIFIC LAWS

#### **The Micro, Small and Medium Enterprises Development Act, 2006 (the ‘MSME Act’)**

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

### LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED

#### **Maharashtra Industrial Policy 2019**

Industrial Policy 2019 aims to augment the manufacturing ecosystem of Maharashtra through fiscal and non-fiscal interventions including enhanced ease of doing business. The key objectives are to increase flow of industrial investments, promote MSMEs, create employment, and promote regionally balanced, environmentally sustainable, & inclusive industrial growth.

Some drivers of the policy are infrastructure development, thrust sectors, fiscal support for women entrepreneurs, SC/ST and lesser developed regions, Critical Infrastructure Fund and more.

#### **Maharashtra Textile Policy**

#### **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.

#### **The Maharashtra Fire Prevention and Life Safety Measures Act, 2006 Act 3 of 2007 & Amendment 2015**

The Fire Act requires building owners and occupants to install firefighting measures and ensure proper evacuation measures in the case of fire emergency. The Act contains comprehensive guidelines towards securing the fire safety of old as well as new buildings in the State of Maharashtra The Act extends to the whole of the State of Maharashtra and it applies to all building owners and occupants. Even licensees and tenants are classified as ‘occupiers Presently fire prevention and firefighting services are organized by the concerned States and Union Territories. It may be added here that the fire brigades in India remain heterogeneous in character and majority of



them continue to remain ill-equipped and differently organized. The National Building Code (NBC), which is the basic model code in India on matters relating to building construction and fire safety. Fire prevention and fire protection is a state subject. The primary responsibility for fire prevention and fire protection lies primarily with State Governments. The rules for fire prevention and fire protection are laid in the form of State Regulations or Municipal By-Laws.

## **CORPORATE LAWS**

### **The Companies Act, 2013**

The Companies Act, 2013 came into existence by repealing the Companies Act, 1956 in a phased manner. It received the assent of the President on August 29, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. The Companies Act, 2013 deals with matters related to Incorporation of Companies, Prospectus and allotment of securities, share capital and Debentures, Acceptance of Deposits by Companies, Management and Administration, Appointment and Qualifications of Directors and other matters incidental thereto which are necessary for better Corporate Governance, bringing in more transparency in relation to Compliances and protection of shareholders & creditors.

The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

## **EMPLOYMENT AND LABOUR LAWS**

### **The Code on Wages, 2019**

The new Code replaces the following four laws: (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. Under the Act, the Central Government shall determine wage-related provisions in railways, mines, oil fields, etc., while the State Government is empowered to take such decisions in relation to other employments.

### **The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers. In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

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

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

working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Public Liability Insurance Act, 1991 ('PLI Act')
- Industrial (Development and Regulation) Act, 1951 ('IDRA')
- Industrial Disputes Act, 1947 ('ID Act')
- Payment of Bonus Act, 1965 ('POB Act')
- Payment of Gratuity Act, 1972.
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Equal Remuneration Act, 1976 ('ER Act')
- Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 ('WCA')
- Maternity Benefit Act, 1961 ('Maternity Act')
- Industrial Employment Standing Orders Act, 1946
- The Employees Compensation Act, 1923 ('EC Act') and the rules framed thereunder
- Minimum Wages Act, 1948 ('MWA') and the rules framed thereunder

## **TAX RELATED LAWS**

### **The Income Tax Act, 1961**

The Income Tax Act deals with computation of tax liability of individuals, corporates, partnership firms and others. The Income-tax Act, 1961 ('IT Act') is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. As per the provisions of Income Tax Act, the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Income Tax Act. Filing of returns of income is compulsory for all assessee. Furthermore, it requires every taxpayer to apply to the assessing officer for a permanent account number.

### **The Goods and Service Tax (GST)**

GST is an Indirect Tax which has replaced many Indirect Taxes in India. The Goods and Service Tax Act<sup>ct</sup> was passed in the Parliament on 29th March<sup>h</sup> 2017. The Act came into effect on 1st July 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. Goods & Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition. GST has mainly removed the Cascading effect on the sale of goods and services. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

### **The Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975**

This act is also called as The Maharashtra State Tax on Professions, Trade, Callings and Employments Act, 1975. Profession Tax means the tax on Professions, Trades, Callings and Employments levied under this Act. Profession Tax is a Tax may be imposed on Professions and Employments even though the employee is already paying an income tax. It is a tax on Professions, Trades, Callings and Employments for raising the resources needed for implementing the Employment Guarantee Scheme of the Maharashtra State Govt. and to provide for establishment of the Employment Guarantee Fund.

## **INTELLECTUAL PROPERTY RELATED LAWS**

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- The Trademarks Act, 1999; and
- Design Act, 2000.

### **Indian Patents Act, 1970**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

### **The Trademark Act, 1999**

The Trademark Act, 1999 was developed keeping in view the need for simplification of and harmonization of Trademarks system, registration and statutory protection for the purpose of prevention of the use of fraudulent marks in India. A trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. An application for trade mark registration may be made by any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it. Once granted, trade mark registration is valid for ten years unless cancelled, which may be renewed for similar periods on payment of a prescribed renewal fee. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

### **Designs Act, 2000 ('Designs Act')**

Industrial designs have been accorded protection under the Designs Act. A 'Design' means only the features of shape, configuration, pattern, ornament or composition of lines or color or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, Trademarks and Copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same under the Act before the Controller-General of Patents, Designs and Trade Marks. On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration, but in cases where claim to priority has been allowed the duration is ten years from the priority date. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

## **GENERAL LEGISLATIONS**

### **The Arbitration and Conciliation Act, 2015 ('Arbitration Act')**

The Arbitration Act was enacted to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration. The Act provides for the arbitral tribunal to give reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction and thus minimizing the supervisory role of courts in the arbitral process.

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

The Indian Contract Act, 1872 ('Contract Act') codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on

any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **The Competition Act, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates 'combinations' in India. The Competition Act also established the Competition Commission of India (the 'CCI') as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

### **Transfer of Property Act, 1882 ('TP Act')**

The Transfer of Property Act, 1882 (the 'TP Act') establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for that purpose.

### **The Information Technology Act, 2000**

The Information Technology Act, 2000 (the IT Act) is an Act of the Indian Parliament notified on October 17, 2000. It is the primary law in India dealing with cybercrime and electronic commerce. It was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber-crimes, including unauthorized access to computer systems, unauthorized modification to the contents of computer systems, damaging computer systems, and the unauthorized disclosure of confidential Information and computer fraud.

### **The Indian Stamp Act, 1899**

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.

### **The Registration Act, 1908**

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

### **Negotiable Instruments Act, 1881**

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain people from issuing cheque without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheque on the ground of insufficiency of funds in the account maintained by a person with the banker.

### **Limitation Act, 1963**

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, 'period of limitation' means the period of limitation prescribed for

any suit, appeal or application by the Schedule, and 'prescribed period' means the period of limitation computed in accordance with the provisions of this Act.

## **FOREIGN REGULATIONS**

### **Foreign Exchange Management Act, 1999**

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. Foreign Exchange Management Act, 1999 ('FEMA') was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

### **FEMA Regulations**

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

## 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 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 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 218 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 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 BSE Limited 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 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. 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 Rights Equity 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 Rights Equity Shares under applicable securities laws) on the websites of:

Access of Documents on the website of	URL of websites
Company	<a href="http://www.thealanscott.com">www.thealanscott.com</a>
Registrar to the Issue	<a href="http://www.purvashare.com">www.purvashare.com</a>
BSE Limited	<a href="http://www.bseindia.com">www.bseindia.com</a>

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at [www.purvashare.com](http://www.purvashare.com) 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.thealanscott.com](http://www.thealanscott.com).

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible. **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 BSE Limited. 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 detailed under the Paragraph titled 'Procedure for Application through the ASBA Process' on page 213 of this Draft 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.

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.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, 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 204 of this Draft 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 221 of this Draft 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 216 of Draft Letter of Offer.

### **3. Credit of Rights Entitlements in demat accounts of Eligible Equity 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 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 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) 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., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 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](http://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](http://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.thealanscott.com](http://www.thealanscott.com))

#### **Other important links and helpline**

The Investors can visit following links for the below-mentioned purposes:

<b>Particulars</b>	<b>Website Links</b>
Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors	<a href="http://www.purvashare.com">www.purvashare.com</a>
Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders	
Updation of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar or our Company	<a href="mailto:support@purvashare.com">support@purvashare.com</a>
Updation of demat account details by Eligible Equity Shareholders holding shares in physical form	

#### **Renouncees**

All rights and obligations of the Eligible Equity 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 Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held

in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date, i.e. [●].

## **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, i.e. [●], you may be entitled to subscribe to the number of Rights Shares as set out in the Rights Entitlement Letter.

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the 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 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](http://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.thealanscott.com](http://www.thealanscott.com)).

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](http://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 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. For further details, please refer to the section titled '*Notice to Investors*' on page 14 of this Draft Letter of Offer.

## **PRINCIPAL TERMS OF THIS ISSUE**

<b>Face Value</b>	Each Rights Equity Share will have the face value of ₹10.00/- (Rupees Ten Only).
<b>Issue Price</b>	₹30.00/- (Rupees Thirty Only) per Rights Equity Share issued in 1 (One) Rights Entitlement, (i.e. ₹30.00/- (Rupees Thirty Only) per Rights Equity Share, including a premium of ₹20.00/- (Rupees Twenty Only) per Rights Share). On Application, Investors will have to pay ₹10.00/- (Rupees Ten Only) per Rights Share which constitutes 33.33% (Thirty-Three point Three Three Percent) of the Issue Price, and the balance ₹20.00/- (Rupees Twenty Only) per Rights Share which constitutes 66.67% (Sixty Six point Six Seven Percent) of the Issue Price, will have to be paid, on one or more additional calls as may be decided by the Board/ Rights Issue Committee of the Board from time to time.
<b>Rights Entitlements Ratio</b>	The Rights Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 1 (One) Rights Shares for every 1 (One) Equity Shares held by the Eligible Equity Shareholders as on the Record Date i.e., [●].
<b>Renunciation of Rights Entitlements</b>	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>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 '<b>Procedure for Renunciation of Rights Entitlements</b>' on page 214 of this Draft 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 to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.</p>
<p><b>Credit of Rights Entitlements in dematerialised account</b></p>	<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 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 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 renouncement 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., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 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. <a href="http://www.purvashare.com">www.purvashare.com</a>). 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 BSE Limited after completing the corporate action. The details of the Rights</p>

	<p>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><b>PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, <i>PER SE</i>, ENTITLE THE INVESTORS TO THE RIGHTS SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS SHARES ON OR BEFORE THE ISSUE CLOSING DATE I.E., [●] AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE ‘PROCEDURE FOR APPLICATION’ ON PAGE 211 OF THIS DRAFT LETTER OF OFFER.</b></p>
<b>Trading of the Rights Entitlements</b>	<p>In accordance with the SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on BSE Limited under Rights Entitlement ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from BSE 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 BSE Limited 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 Renouncees on or prior to the Issue Closing Date. For details, see ‘<i>Procedure for Renunciation of Rights Entitlements – On Market Renunciation</i>’ and ‘<i>Procedure for Renunciation of Rights Entitlements – Off Market Renunciation</i>’ on page 215 of this Draft Letter of Offer. Once the Rights Entitlements are credited to the demat account of the Renouncees, application in the Issue could be made until the Issue Closing Date. For details, see ‘<i>Procedure for Application</i>’ on page 211 of this Draft Letter of Offer.</p> <p><b>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.</b></p>
<b>Terms of Payment</b>	<p>₹30.00/- (Rupees Thirty Only) per Rights Equity Share issued in 1 (One) Rights Entitlement, (i.e. ₹30.00/- (Rupees Thirty Only) per Rights Equity Share, including a premium of ₹20.00/- (Rupees Twenty Only) per Rights Share).</p> <p>On Application, Investors will have to pay ₹10.00/- (Rupees Ten Only) per Rights Share which constitutes 33.33% (Thirty-Three point Three Three Percent) of the Issue Price, and the balance ₹20.00/- (Rupees Twenty Only) per Rights Share which constitutes 66.67% (Sixty Six point Six Seven Percent) of the Issue Price, will have to be paid, on one or more additional calls as may be decided by the Board/ Rights Issue Committee of the Board from time to time.</p>
<b>Fractional Entitlements</b>	<p>The Rights Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 1 (One) Rights Shares for every 1 (One) Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored.</p>
<b>Credit Rating</b>	<p>As this Issue is a rights issue of Rights Shares, there is no requirement of credit rating for this Issue.</p>
<b>Ranking</b>	<p>The Rights 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</p>

	<p>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 BSE and the terms and conditions as stipulated in the Allotment advice. The Rights Shares to be issued and allotted under this Issue shall, upon being fully paid up, rank <i>pari passu</i> with the existing Equity Shares, in all respects including dividends. In respect of the Rights 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.</p>
<p><b>Listing and trading of the Rights Shares to be issued pursuant to this Issue</b></p>	<p>Subject to receipt of the listing and trading approvals, the Rights Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE Limited. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights 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 Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE Limited vide its letter bearing reference number [●] dated [●] respectively. Our Company will apply to BSE Limited for final approvals for the listing and trading of the Rights Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Shares or the price at which the Rights Shares offered under this Issue will trade after the listing thereof.</p> <p>For an applicable period, the trading of the Rights Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid-up Rights 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.</p> <p>The existing Equity Shares are listed and traded on BSE (Scrip Code: 539115) (Symbol: ALAN SCOTT) under the ISIN: INE273F01022. The Rights Shares shall be credited to a temporary RE ISIN which will be frozen until the receipt of the final listing/ trading approvals from BSE Limited. Upon receipt of such listing and trading approvals, the Rights Shares shall be debited from such temporary RE ISIN and credited to the new ISIN for the Rights Shares and thereafter be available for trading and the temporary RE ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.</p> <p>The listing and trading of the Rights 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.</p> <p>In case our Company fails to obtain listing or trading permission from BSE Limited, 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 BSE Limited, rejecting the application for listing of the Rights 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.</p> <p>For details of trading and listing of partly paid-up Rights Shares, please refer to the heading '<b>Terms of Payment</b>' at page 208 of this Draft Letter of Offer.</p>
<p><b>Subscription to this Issue by our Promoter</b></p>	<p>For details of the intent and extent of subscription by our Promoter, please refer to the chapter titled '<b>Capital Structure – Intention and extent of participation by our Promoters and Promoter Group</b>' on page 52 of this Draft Letter of Offer.</p>
<p><b>Rights of Holders of Rights Shares of our Company</b></p>	<p>Subject to applicable laws, Rights Equity Shareholders shall have the following rights:</p> <ol style="list-style-type: none"> <li>The right to receive dividend, if declared;</li> <li>The right to vote in person, or by proxy;</li> <li>The right to receive surplus on liquidation;</li> </ol>



	<p>d) The right to free transferability of Rights Shares;</p> <p>e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law; and</p> <p>f) 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> <p>Subject to applicable law and Articles of Association, holders of Rights Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Shares in this Issue</p>
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## GENERAL TERMS OF THE ISSUE

<b>Market Lot</b>	The Rights Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Shares in dematerialised mode is one (1) Equity Share.
<b>Joint Holders</b>	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 Shares offered in this Issue.
<b>Nomination</b>	<p>Nomination facility is available in respect of the Rights 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 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>
<b>Arrangements for Disposal of Odd Lots</b>	The Rights Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be 1 (one) Rights Share and hence, no arrangements for disposal of odd lots are required.
<b>Restrictions on transfer and transmission of shares and on their consolidation/splitting</b>	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 transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form.
<b>Notices</b>	<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 ('<b>Issue Materials</b>') 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 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</p>

	<p>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 Marathi language daily newspaper with wide circulation (Marathi being the regional language of Maharashtra, 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 BSE Limited for making the same available on their websites.</p>
<p><b>Offer to Non-Resident Eligible Equity Shareholders/Investors</b></p>	<p>As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights shares to non-resident shareholders including additional rights shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things, (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 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 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 the Company will not be responsible for any such allotments made by relying on such approvals.</p> <p>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 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 Shares under applicable securities laws) from the websites of the Registrar, our Company and BSE Limited. 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 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 Shares are issued on rights basis.</p> <p>In case of change of status of holders, <i>i.e.</i>, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.</p>

## 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 either

**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 Equity Shareholders holding Equity Shares in physical form as on the Record Date, i.e. [●] see '*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*' on page 218 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 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 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 Renouncees 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 BSE Limited.

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 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 to the Issue 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 [www.purvashare.com](http://www.purvashare.com). Investors can access this Draft Letter of Offer, 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 Shares under applicable securities laws) from the websites of:

<b>Access of Documents on the website of</b>	<b>URL of websites</b>
Company	<a href="http://www.thealanscott.com">www.thealanscott.com</a>
Registrar to the Issue	<a href="http://www.purvashare.com">www.purvashare.com</a>
BSE Limited	<a href="http://www.bseindia.com">www.bseindia.com</a>

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.purvashare.com](http://www.purvashare.com)) by entering their DP ID and Client ID or Folio Number (in case of resident 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.thealanscott.com](http://www.thealanscott.com)).

The Common Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renouncees, 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 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 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 Common 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 221 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 plain paper Applications. Please note 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, see ‘*Application on Plain Paper under ASBA process*’ on page 216 of this Draft Letter of Offer.

#### **Options available to the Eligible Equity 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:

- (i) Apply for its Rights Shares to the full extent of its Rights Entitlements; or
- (ii) Apply for its Rights Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) Apply for Rights Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) Apply for its Rights Shares to the full extent of its Rights Entitlements and apply for additional Rights Shares; or
- (v) 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 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.

Investors should ensure that they have correctly submitted the Common Application Form, or have otherwise provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Common 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 Common Application Form, please refer the above-mentioned link.

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

**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 process*' on page 216 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 finalised 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 226 of this Draft Letter of Offer.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Shares**

Non-resident Renouncees 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 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 BSE Limited; 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. The Company accepts 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 Exchange through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on BSE Limited under RE ISIN [●] subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by BSE Limited from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

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 BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of BSE Limited and SEBI.

### **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 dematerialised form only.

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 Renouncees 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 [●], 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, in case of non-receipt of Common Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising 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 Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Common Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Alan Scott Industriess Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Registered Folio Number/ DP and Client ID No.;
4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialised form;
6. Number of Rights Shares entitled to;
7. Number of Rights Shares applied for within the Rights Entitlements;
8. Number of additional Rights Shares applied for, if any;
9. Total number of Rights Shares applied for;
10. Total amount paid at the rate of ₹ [●] /- per Rights Share;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
13. 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;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. 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);
16. In addition, all such Eligible Equity Shareholders are deemed to have accepted the following:

*'I/ We understand that neither the Rights Entitlements nor the Rights 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 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 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 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 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 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 to the Issue 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 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 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 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.

I/ We acknowledge that we, the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.'

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](http://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.

## **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 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.

### **APPLICATION BY ELIGIBLE EQUITY 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 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 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](http://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	<a href="http://www.thealanscott.com">www.thealanscott.com</a>
Registrar to the Issue	<a href="http://www.purvashare.com">www.purvashare.com</a>
BSE Limited	<a href="http://www.bseindia.com">www.bseindia.com</a>

- (d) Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e. [www.purvashare.com](http://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.thealanscott.com](http://www.thealanscott.com));

- (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 SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

#### **ALLOTMENT OF THE RIGHTS SHARES IN DEMATERIALIZED FORM**

**PLEASE NOTE THAT THE RIGHTS SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE 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 Renouncees.
- (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 216 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 BSE Limited. 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.
- (j) 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.

- (k) 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 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.**
- (l) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- (m) 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.
- (n) 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.
- (o) All communication in connection with Application for the Rights 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.
- (p) 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.
- (q) 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.
- (r) Investors are required to ensure that the number of Rights Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (s) 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 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 Shares (including additional Rights 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.

***Dont's:***

- (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 to the Issue, 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 to the Issue and 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 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 SHARES IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE 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 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 or the Registrar to the Issue 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.

## **MODES 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.

### ***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 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 Shares (including additional Rights Shares) applied for} X {Application Money of Rights 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.

#### ***Mode of payment for Non-Resident Investors***

As regards the Application by non-resident Investors, payment must be made only through the ASBA facility and using permissible accounts in accordance with the FEMA, FEMA Rules and requirements prescribed by the RBI and subject to the following conditions:

1. Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Common Application Forms on the websites of the Registrar, 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 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 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.*

2. 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 Shares may be restricted by applicable securities laws.
3. 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:**

1. 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.
2. 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.
3. 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.
4. 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.
5. 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.

6. Non-resident Renouncees who are not Eligible Equity 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 230 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 our Promoter to meet the minimum subscription requirements applicable to this Issue as described in **‘Capital Structure – Intention and extent of participation by our Promoters and Promoter Group’** on page 52 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 BSE Limited 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 Shares hereby offered, as provided under the paragraph titled **‘Basis of Allotment’** on page 226 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 BSE Limited.

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

<b>LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS</b>	[●]
<b>ISSUE OPENING DATE</b>	[●]
<b>LAST DATE FOR ON MARKET RENUNCIATION*</b>	[●]
<b>ISSUE CLOSING DATE#</b>	[●]
<b>FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)</b>	[●]
<b>DATE OF ALLOTMENT (ON OR ABOUT)</b>	[●]
<b>DATE OF CREDIT (ON OR ABOUT)</b>	[●]
<b>DATE OF LISTING (ON OR ABOUT)</b>	[●]

*\* 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 Renouncees on or prior to the Issue Closing Date.*

*#Our Board or a duly authorized 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. [●].*

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 - Issue Schedule**' on page 47 of this Draft Letter of Offer.

## **BASIS OF ALLOTMENT**

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Common Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board or duly authorized committee will proceed to Allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity 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.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity 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, i.e. [●], provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board or our duly authorized committee in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity 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.
- (e) Allotment to any other person, that our Board or a duly authorized committee may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board or a duly authorized committee in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) 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 Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;

2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

### **ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will 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 in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company shall pay interest at 15% p.a. or such other rate as specified under applicable law from the expiry of such 15 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.

- (a) Unblocking amounts blocked using ASBA facility.
- (b) 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 centers 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 centers 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.
- (c) National Electronic Fund Transfer ('NEFT') – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ('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.
- (d) 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.

- (e) 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 Common 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.
- (f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
- (g) 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 EXCHANGE 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 Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of 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 off shore 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 / centers 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 certificate 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 millions 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 upto three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 1 millions 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 duly authorized 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 BSE Limited 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 Promoter of our Company through its letter dated Wednesday, February 15, 2023 has confirmed that he intends to subscribe in part or to the full extent of his Rights Entitlement and to the extent of unsubscribed portion (if any) of this Issue and that he shall not renounce his Rights Entitlements, in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations.

The objects of the Issue involve Investment in Alan Scott Retail Limited, Alan Scott Health & Hygiene Ltd, Alan Scott Nanoveu India Ltd, loan repayment and general corporate purposes. Further, our Promoter has undertaken that he will subscribe to the full extent of his Rights Entitlements and that he shall not renounce his Rights Entitlements subject to the aggregate shareholding of the Promoter being compliant with the minimum public shareholding requirements under the SCRR and the SEBI (LODR) Regulations.

#### **IMPORTANT**

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Common Application Form, Abridged Draft Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Common Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Common Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Common Application Form and super scribed ‘Allan Scott Industriess Limited – Rights Issue’ on the envelope and postmarked in India or in the email) to the Registrar at the following address:  
  
**PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED**  
Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg,  
Lower Parel East, Mumbai- 400011, Maharashtra, India  
**Contact Details:** + 91-22-2301 2518 / 6761  
**Website:** [www.purvashare.com](http://www.purvashare.com)  
**E-mail ID:** [support@purvashare.com](mailto:support@purvashare.com)  
**Investor grievance e-mail:** [support@purvashare.com](mailto:support@purvashare.com)  
**Contact Person:** Ms. Deepali Dhuri  
**SEBI Registration Number:** INR000001112
3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([www.purvashare.com](http://www.purvashare.com)). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are 91-22-2301 2518 / 6761.
4. This Issue will remain open for a minimum 7 (Seven) days. However, our Board or our duly authorized 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 and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ('**FDI Circular 2020**'), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. The activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

The Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as 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 is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## **SECTION 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, 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 2 (Two) years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the aforementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. (Indian Standard Time) and 5 p.m. (Indian Standard Time) on all Working Days from the date of the Letter of Offer until the Issue Closing Date.

### **MATERIAL CONTRACTS FOR THE ISSUE**

1. Registrar Agreement dated February 09, 2023, between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated [●] among our Company, the Lead Manager, the Registrar to the Issue and the Bankers to the Issue;

### **MATERIAL DOCUMENTS IN RELATION TO THE ISSUE**

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Certificate of incorporation and fresh certificate of incorporation pursuant to change of name of our Company;
3. Copies of annual reports for the preceding 5 (Five) Financial Years;
4. Copies of Restated Financial Statement for the six-months period ending September 30, 2022, and for the last 3 (Three) Financial Years for the Financial Years ended on March 31, 2022, March 31, 2021, March 31, 2020;
5. Resolution of our Board of Directors dated [●]day, [●], 2023, approving the Issue;
6. Resolution of our Board of Directors dated [●], 2023, approving this Draft Letter of Offer;
7. Resolution of our Board of Directors dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
8. Resolution of our Board of Directors dated [●], approving the Letter of Offer;
9. Consents of our Directors, 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;
10. Report on Statement of Special Tax Benefits dated [●], for our Company from the Statutory Auditors of our Company;
11. In-principle approval issued by BSE Limited vide their letter bearing reference number '[●]' 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

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Letter of Offer are true and correct.

**Signed by the Director of our Company**

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**Suresh Pukhraj Jain**  
*Managing Director and Chairperson*  
**DIN: 00048463**

**Place: Mumbai**  
**Date: February 24, 2023**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Letter of Offer are true and correct.

**Signed by the Director of our Company**

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**Manoj Iyer**  
*Executive Director*  
*DIN: 08145827*

**Place: Mumbai**  
**Date: February 24, 2023**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Letter of Offer are true and correct.

**Signed by the Director of our Company**

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**Saloni Suresh Jain**

*Additional Director*

*DIN: 07361076*

**Place: Mumbai**

**Date: February 24, 2023**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Letter of Offer are true and correct.

**Signed by the Director of our Company**

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**Kanti Prasad Jain**  
*Independent Director*  
*DIN: 02894148*

**Place: Mumbai**  
**Date: February 24, 2023**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Letter of Offer are true and correct.

**Signed by the Director of our Company**

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**Kumar Subramanian**  
*Independent Director*  
*DIN: 06714912*

**Place: Mumbai**  
**Date: February 24, 2023**

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government, and the regulations or guidelines issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Letter of Offer are true and correct.

**Signed by the Director of our Company**

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**Gyan Singh Rathore**  
*Independent Director*  
*DIN: 00367067*

**Place: Mumbai**  
**Date: February 24, 2023**