




**VIKAS LIFECARE LIMITED**  
("Formerly known as Vikas Multicorp Limited")

Vikas Lifecare Limited ("formerly known as Vikas Multicorp Limited") ("Company" or "Issuer") was incorporated on November 9, 1995 with the name of Akshatha Management Consultants Private Limited in accordance with the provision of Companies Act, 1956. Subsequently the name of our Company was changed to Akshatha Service Private Limited and the Registrar of Companies, National Capital Territory of Delhi and Haryana issued a fresh certificate of incorporation on May 29, 2001. Thereafter, again the name of our Company was changed to Moonlite Technochem Private Limited and the Registrar of Companies National Capital Territory of Delhi and Haryana issued a fresh certificate of incorporation on December 29, 2008. Our Company subsequently converted into public limited company and upon conversion into the public limited company, the name of our Company changed to Moonlite Technochem Limited and a fresh certificate of incorporation on November 1, 2016 was issued by the Registrar of Companies, Delhi. The name of our Company was again changed to Vikas Multicorp Limited and a fresh certificate of incorporation dated January 24, 2017 was issued under the seal of the Registrar of Companies, Delhi. The name of our Company was again changed to Vikas Lifecare Limited and a fresh certificate of incorporation dated April 9, 2021 was issued under the seal of the Registrar of Companies, Delhi.

Pursuant to the order of the National Company Law Tribunal, Principal Bench, New Delhi dated October 31, 2018 approving the Scheme of Arrangement, the 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' was demerged from Vikas Ecotech Limited and acquired by our Company. Pursuant to completion of said demerger, the equity shares of our Company were listed on the NSE and the BSE on May 8, 2019.

**Registered Office:** G-1, 34/1, East Punjabi Bagh New Delhi-110026, India, **Tel:** 011-40450110  
**Contact Person:** Ms. Monika Soni, Company Secretary and Compliance Officer, **E-mail:** [cs@vikaslifecarelimited.com](mailto:cs@vikaslifecarelimited.com);  
**Website:** [www.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com)  
**Corporate Identification Number:** L25111DL1995PLC073719

Corporate Identification Number: L25111DL1995PLC07/3719

OUR PROMOTERS: MR. VIKAS GARG, M/s VIKAS GARG HUF, MS. SEEMA GARG, MS. SUKRITI GARG, MR. VINOD KUMAR GARG, M/s VINOD KUMAR GARG HUF, MS. SHASHI GARG, MR. VAIBHAV GARG			
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF VIKAS LIFECARE LIMITED ("FORMERLY KNOWN AS VIKAS MULTICORP LIMITED") (OUR "COMPANY" OR THE "ISSUER") ONLY			
NEITHER OUR COMPANY NOR OUR PROMOTER HAS BEEN DECLARED AS A WILFUL DEFAULTER BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY			
ISSUE UPTO [●] PARTLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹1 EACH OF OUR COMPANY (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE [(INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE)] NOT EXCEEDING ₹ [●] LAKHS <sup>#</sup> ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] EQUITY SHARE FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS [●] (THE "ISSUE"). FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" BEGINNING ON PAGE 177 OF THIS DRAFT LETTER OF OFFER.			
<sup>#</sup> Assuming full subscription.			
PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES			
AMOUNT PAYABLE PER RIGHTS EQUITY SHARE*	FACE VALUE (₹)	PREMIUM (₹)	TOTAL (₹)
On Application 40%	[●]	[●]	[●]
One or more subsequent Call(s) as determined by our Board at its sole discretion, from time to time 60%	[●]	[●]	[●]
Total (₹)	[●]	[●]	[●]
*For further details on Payment Schedule, see "Terms of the Issue" on beginning on page 177 of this Draft Letter of Offer.			
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 with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall 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 Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Specific attention of the investors is invited to "Risk Factors" beginning on page 24 of this Draft Letter of Offer before making an investment in this Issue.			
ISSUER'S ABSOLUTE RESPONSIBILITY			
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and 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 respects.			
LISTING			
The existing Equity Shares are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE together the "Stock Exchanges"). Our Company has received 'in-principle' approvals from the BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letters dated [●] and [●] respectively. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.			
ADVISOR TO THE ISSUE		REGISTRAR TO THE ISSUE	
		[●]	
Hexaxis Advisors Limited 40 RPS, Sheikh Sarai, Phase-1, New Delhi - 110017 Telephone: 011-40503037 Email: mail@hexaxis.in Contact Person: Mr. Pankaj K		[●]	
ISSUE PROGRAMME			
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATIONS*		ISSUE CLOSING ON <sup>#</sup>
[●]	[●]		[●]

\* 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(s) on or prior to the Issue Closing Date.

<sup>#</sup> 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 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

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

*Unless otherwise specified, the capitalized terms used in this Draft Letter of Offer shall have the meaning as defined hereunder. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.*

*Provided that terms used in the sections/ chapters titled "Industry Overview", "Summary of this Draft Letter of Offer", "Financial Information", "Statement of Special Tax Benefits", "Outstanding Litigation and Material Developments" and "Terms of the Issue" beginning on page 65, 21, 94, 63, 166 and 177 of this Draft Letter of Offer respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.*

#### Company Related Terms

Term	Description
"Company", "our Company", "the Company", "the Issuer"	Vikas Lifecare Limited ("formerly known as Vikas Multicorp Limited"), a public limited company incorporated under the Companies Act, 1956, having its registered office at Vikas Apartments, G-1, 34/1 East Punjabi Bagh New Delhi-110026, India.
"we", "us", or "our"	Unless the context otherwise indicates or implies, refers to our Company.
"Articles" / "Articles of Association" / "AoA"	Articles / Articles of Association of our Company, as amended from time to time.
"Annual Audited Financial Statements"	The audited financial statements of our Company prepared under IND AS for 2020 and 2021 and for the three-month period ended June 30, 2021, prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
"Audit Committee"	The committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (" <b>SEBI Listing Regulations</b> ") and Section 177 of the Companies Act, 2013.]
"Auditor"" / "Statutory Auditor"/ "Peer Review Auditor"	Statutory and peer review auditor of our Company, namely, M/s. RSPH & Associates, Chartered Accountants.
"Board" / "Board of Directors"	Board of directors of our Company or a duly constituted committee thereof.
"Chief Executive Officer / CEO"	Mr. Vijay Kumar Sharma, the Chief Executive Officer of our Company.
"Chief Financial Officer / CFO"	Mr. Arvind Gupta, the Chief Financial Officer of our Company.
"Company Secretary and Compliance Officer"	Ms. Monika Soni, the Company Secretary and the Compliance Officer of our Company.
"Director(s) "	The director(s) on the Board of our Company, unless otherwise specified.
"Equity Shareholder"	A holder of Equity Shares
"Equity Shares"	Equity shares of our Company of face value of ₹ 1 each.
"Executive Directors"	Executive directors of our Company.
"Independent Director(s) "	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.

<b>Term</b>	<b>Description</b>
"Key Management Personnel" / "KMP"	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the subsection titled " <b><i>Our Management – Key Managerial Personnel</i></b> " beginning on page 90 of this Draft Letter of Offer.
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Draft Letter of Offer.
"Memorandum of Association" / "MoA"	Memorandum of Association of our Company, as amended from time to time.
"Non-executive Directors"	Non-executive Directors of our Company.
"Non-Executive and Independent Director"	Non-executive and independent directors of our Company, unless otherwise specified
"Promoter"	The Promoters of our company namely Mr. Vikas Garg, M/s Vikas Garg HUF, Ms. Seema Garg, Ms. Sukriti Garg, Mr. Vinod Kumar Garg, M/s Vinod Kumar Garg HUF, Ms. Shashi Garg, Mr. Vaibhav Garg.
"Promoter Group"	Individuals and entities forming part of the promoter and promoter group in accordance with SEBI ICDR Regulations.
"Registered Office"	The registered office of our Company located at G-1, 34/1, East Punjabi Bagh New Delhi-110026, India.
"Registrar of Companies" / "RoC"	Registrar of Companies, Delhi situated at 4 <sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019.
"Financial Statements" / "Standalone Financial Statements"	Standalone financial statements of our Company for the Fiscals 2019, 2020 and 2021 and for the three-month period ended June 30, 2021 prepared in accordance with the Companies Act and in accordance with the requirements of the SEBI ICDR Regulations prepared by the then Statutory Auditors of the Company, Goyal Nagpal and Co. who resigned on August 25, 2021. For details, see " <b><i>Financial Statements</i></b> " on page 94 of this Draft Letter of Offer.
"Rights Issue Committee" / "Fund Raising Committee"	The committee constituted in the Board meeting dated August 25, 2021 for finalizing the term of the Issue and take all appropriate decision and steps as it may deem fit in relation to the Issue, in accordance with the applicable provisions of the Listing Regulations and the Companies Act, 2013.
"Shareholders/ Equity Shareholders"	The Equity Shareholders of our Company, from time to time.

#### **Issue Related Terms**

<b>Term</b>	<b>Description</b>
2009 ASBA Circular	The SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009.
2011 ASBA Circular	The SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011.
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.
Allot/Allotment/Allotted	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying to the credit of the escrow account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.
Allottee(s)	Person(s) who are Allotted Rights Equity Shares pursuant to the Allotment.
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer/ Letter of Offer, being an ASBA Investor.

<b>Term</b>	<b>Description</b>
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, or (ii) filling the online Application Form available on R-WAP (instituted only for resident Investors, in the event the Investors are not able to utilize the ASBA facility for making an Application despite their best efforts), to subscribe to the Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application using the R-WAP or through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount/ASBA	Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing a SCSB to block the Application Money in the ASBA Account.
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
ASBA Applicant / ASBA Investor	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including renouncees) shall make an application for a rights issue only through ASBA facility.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue, in this case being [●].
Bankers to the Issue Agreement	Agreement dated [●] entered into by and amongst our Company, the Registrar to the Issue and the Bankers to the Issue for collection of the Application Money from Applicants/Investors making an application through the R-WAP facility, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Applicants/Investors and providing such other facilities and services as specified in the agreement.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue and which is described in " <b>Terms of the Issue</b> " beginning on page <b>177</b> of this Draft Letter of Offer.
Call(s)	The notice issued by our Company to the holders of the Rights Equity Shares as on the Call Record Date for making a payment of the Call Monies.
Call Money(ies)	The balance amount payable by the holders of the Rights Equity Shares pursuant to the Payment Schedule, being ₹[●] per Rights Equity Share (60% of Issue Price) after payment of the Application Money.
Call Record Date	A record date fixed by our Company for the purpose of determining the names of the holders of Rights Equity Shares for the purpose of issuing of the Call.
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form.
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of SCSBs which coordinate Bids under the Issue with the Registrar to the Issue and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> .
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 ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=35">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	BSE Limited.
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Draft Letter of Offer/DLoF/DLOF	This Draft Letter of Offer filed with Stock Exchange, in accordance with the SEBI ICDR Regulations, for their observations. <i>Vide</i> SEBI Circular April 21, 2020 bearing number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 and SEBI ICDR (Fourth Amendment) Regulations, 2020, our Company has been exempted from filing the Draft Letter of Offer with SEBI.
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an Application through the R-WAP facility.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●].
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date i.e. [●]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see " <i>Notice to Investors</i> " beginning on page 13 of this Draft Letter of Offer.
Issue / Rights Issue	Issue of up to [●] Equity Shares of face value of ₹ 1 each of our Company for cash at a price of ₹ [●] per Rights Equity Share not exceeding ₹ 4,985 lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] ([●]) Rights Equity Shares for every [●] ([●]) Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [●].
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ [●] per Rights Equity Share.  On Application, Investors will have to pay ₹ [●] per Rights Equity Share which constitutes [●]% of the Issue Price and the balance ₹ [●] per Rights Equity Share which constitutes [●]% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined by our Board at its sole discretion, from time to time.
Issue Proceeds	Gross proceeds of the Issue.
Issue Size	Amount not exceeding ₹ 4,985 lakhs.
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Draft Letter of Offer.
Letter of Offer/ LOF	The letter of offer to be filed with the Stock Exchanges and submitted with SEBI.
Net Proceeds	Proceeds of the Issue less our Company's share of Issue related expenses. For further information about the Issue related expenses, see " <i>Objects of the Issue</i> " beginning on page 58 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.

<b>Term</b>	<b>Description</b>
Non-Institutional Bidders or NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●].
Payment Schedule	Payment schedule under which [●]% of the Issue Price is payable on Application, i.e., ₹ [●] per Rights Equity Share, and the balance unpaid capital constituting [●]% of the Issue Price i.e., ₹ [●] will have to be paid, on one or more subsequent Call(s), as determined by our Board at its sole discretion, from time to time.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
R-WAP	<p>Registrar to the Issue's web-based application platform accessible at [●] instituted as an optional mechanism in accordance with SEBI circulars bearing reference numbers  SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021  SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021,  SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24 2020; and  SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, for accessing/submitting online Application Forms by resident public Investors.</p> <p>This platform is instituted only for resident Investors, in the event such Investors are not able to utilize the ASBA facility for making an Application despite their best efforts.</p>
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [●].
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being.
"Registrar to the Company"	Alankit Assignments Limited.
"Registrar to the Issue" / "Registrar"	[●]
Registrar Agreement	Agreement dated [●] entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar pertaining to the Issue including in relation to the R-WAP facility.
Renouncee(s)	Person(s) who has/have acquired the Rights Entitlement from the Eligible Equity Shareholders on 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 Bidders(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	An individual Investor (including an HUF applying through karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹ 200,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.

Term	Description
Rights Entitlement	<p>The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, being [●] ([●]) Rights Equity Shares for every [●] ([●]) Equity Shares held on [●].</p> <p>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 i.e. [●]</p>
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible through the R-WAP and on the website of our Company
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue.
SEBI Rights Issue Circulars	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2020
Self-Certified Syndicate Banks" or "SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA, 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;i_ntmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;i_ntmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;i_ntmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;i_ntmId=35</a> , as applicable, or such other website as updated from time to time.
Stock Exchanges	Stock exchange where the Equity Shares are presently listed, being BSE and NSE.
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter	A Company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such.
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Delhi are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, Term Description the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Delhi are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchange. "Working Day" shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

#### Business and Industry related Terms or Abbreviations

Term	Description
AIPMA	All India Plastics Manufacturers Association
Argo products Division	Agricultural commodities or agricultural based products
CAGR	Compounded Annual Growth Rate
CEPCI	Cashew Export Promotion Council of India
Covid-19	Coronavirus Disease 2019
CPCB	Central Pollution Control Board
CSE	Centre for Science and Environment
EVA Compounds	Ethylene-Vinyl Acetate

<b>Term</b>	<b>Description</b>
FDI	Foreign Direct Investment
FMCG	Fast Moving Consumers Good
GDP	Gross Domestic Product
GMV	Gross Merchandise Value
GVA	Gross Value Added
INR	Indian Rupee (₹)
IMF	International Monetary Fund
IWAI	Inland Waterways Authority of India
NEP	National Electricity Policy
NIP	National Infrastructure Pipeline
NaBFID	National Bank for Financing Infrastructure and Development
MITRA	Mega Investment Textiles Parks
MMT	Million Metric Tonnes
MNRE	Ministry of New and Renewable Energy
PE	Polyethylene
PP	Polypropylene
PLEXCONCIL	Plastics Export Promotion Council
PLI	Production-Linked Incentive
PMI	Purchasing Managers' Index
PVC	Polyvinyl chloride resins
Q1/Q2/Q3/Q4	First Quarter/Second Quarter/Third Quarter/Fourth Quarter
Recycled Material	Recycled Plastic Waste
SMID	Second quarter and small and mid-cap
TPR	Thermoplastic Rubber
UK	United Kingdom
USA/US	United States of America
USD/ US\$	US Dollar
WEO	World Economic Outlook
WPI	Wholesale Price Index

#### **Conventional and General Terms or Abbreviations**

<b>Term</b>	<b>Description</b>
A/c	Account
AGM	Annual general meeting
AIF	Alternative investment fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970.
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder.
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
CSR	Corporate Social Responsibility
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.

<b>Term</b>	<b>Description</b>
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended
INR or ₹ or Rs. Or Indian Rupees	Indian Rupee, the official currency of the Republic of India.
ISIN	International Securities Identification Number
IEPF	Investor Education and Protection Fund
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India

<b>Term</b>	<b>Description</b>
RBI Act	Reserve Bank of India Act, 1934, as amended
Regulation S	Regulation S under the United States Securities Act of 1933, as amended
SCRA	Securities Contract (Regulation) Act, 1956 of 1933, as amended
SCRR	The Securities Contracts (Regulation) Rules, 1957 as amended
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
Securities Act	The United States Securities Act of 1933.
STT	Securities Transaction Tax
State Government	The government of a state in India
Trademarks Act	Trademarks Act, 1999
TDS	Tax deducted at source
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Draft Letter of Offer/ Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Draft Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Draft Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges, and on R-WAP.

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

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

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

**THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES**

**REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

## NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("**United States**"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Draft Letter of Offer/ Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Draft Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

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

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Certain Conventions

All references to "India" contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer has been derived from our Financial Statements. For details, please see "**Financial Information**" beginning on page 94 of this Draft Letter of Offer. Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GoI has adopted the Indian accounting standards ("**Ind AS**"), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board ("**IFRS**") and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the "**Ind AS Rules**"). The Audited Financial Statements of our Company for the Financial Year ended March 2019, March 2020 and March 2021 and the three-month period ended June 30, 2021 have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees.

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. Our Company has presented all numerical information in the Financial Statements in whole numbers and in this Draft Letter of Offer in "lakh" units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see "**Financial Information**" beginning on page 94 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two

decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

## Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs. " are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US\$" or "\$" are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Draft Letter of Offer in "lakh" or "Lac" units or in whole numbers. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in "**Risk Factors**", "**Our Business**", "**Management's Discussion and Analysis of Financial Conditions and Results of Operation**" beginning on pages 24, 81 and 161 and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Financial Information.

## Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(in ₹)				
Sr. No.	Name of the Currency	As of March 31, 2021	As of March 31, 2020	As of March 31, 2019
1.	1 United States Dollar	73.50	75.39	69.17

(Source: RBI reference rate)

\*Exchange rate as on March 29, 2019, as RBI reference rate is not available for March 31, 2019 and March 30, 2019 being a Saturday and Sunday, respectively.

\*\*Exchange rate as on March 28, 2018, as RBI reference rate is not available for March 31, 2018, March 30, 2018 and March 29, 2018 being a Saturday and public holidays, respectively.

## Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "**Risk Factors**" beginning on page 24 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

**The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.**

## FORWARD-LOOKING STATEMENTS

This Draft Letter of Offer contains certain "forward-looking statements". Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the chapters titled "**Risk Factors**", "**Industry Overview**", "**Our Business**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" and beginning on pages 24, 65, 81, and 161 of this Draft Letter of Offer. Forward-looking statements include statements concerning our Company's plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company's competitive strengths and weaknesses, our Company's business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "continue", "can", "could", "expect", "estimate", "intend", "likely", "may", "objective", "plan", "potential", "project", "pursue", "shall", "seek to", "will", "will continue", "will pursue", "forecast", "target", or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, the competition in our industry and markets, technological changes, our exposure to market risks, general economic and political conditions in India and globally 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 laws, regulations and taxes, incidence of 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:

- Uncertainty of the continuing impact of the COVID-19 pandemic on our business and operations;
- Any disruption in our sources of funding or increase in costs of funding;
- Engagement in a highly competitive business and a failure to effectively compete;
- We are affected by volatility in interest rates, adversely affecting our net interest income;
- An adverse determination in an ongoing litigation to which Company is a party;
- A downturn in the utility of our products to the industries we cater to;
- A reduction in the demand of our products and/ or competing products gaining wider market acceptance;
- Loss of one or more of our key customers and/ or suppliers;
- An increase in the productivity and overall efficiency of our competitors;
- An adverse change in the regulations governing our products and the products of our customers;
- A significant fall in the global price of our products and/or a significant rise in the global price of our raw materials; and
- A decrease in the demand for the products of our customers in which our Products are used and/or a downfall in production activities.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see "**Risk Factors**", "**Our Business**" and "**Management's Discussion and Analysis of Financial**

***Position and Results of Operations***" beginning on pages 24, 81 and 161 respectively, of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoter, the Syndicate Member(s) nor any of their respective affiliates or advisors 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 the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

## SUMMARY OF LETTER OF OFFER

The following is a general summary of the terms of this Issue, and 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*", "*The Issue*", "*Capital Structure*", "*Objects of the Issue*", "*Industry Overview*", "*Our Business*", "*Outstanding Litigation and Material Developments*" and "*Terms of the Issue*" beginning on pages 24, 48, 56, 58, 65, 81, 166 and 177 respectively of this Draft Letter of Offer.

### 1. Summary of Industry

As per an estimate of the Indian government, the per capita plastics consumption will be doubled by 2022, this will result in presumably a surrogate measure for economic advancement and increased advanced manufacturing. With an increased plastic manufacturing and consumption, India is seen as one of the biggest markets for Plastic Recycling business. India's plastic-processing industry has over 30,000 units and an annual turnover of ₹ 2.25 lakh crore, according to the All India Plastic Manufacturers' Association (AIPMA).

For further details, please refer to the chapter titled "*Industry Overview*" beginning on page 65 of this Draft Letter of Offer.

### 2. Summary of Business

We are engaged in the business of manufacturing recycling materials and trading of Polymer Compounds. We are an ISO 9001:2005 compliant Company. Until year 2019, our Company was only engaged in the business of trading Polymer compounds. Our Company in the year 2019 completed the acquisition of 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' through demerger under the scheme of arrangement approved by Hon'ble National Company Law Tribunal. Pursuant to completion of said demerger, the equity shares of the Company were listed at the Stock Exchanges, both at the NSE and BSE on May 8, 2019.

At present our Company is principally engaged in the business of Recycling Plastic Waste (**Recycling Materials**) and trading of Polymer Compounds. Until 2019, the business of our Company was engaged in the trading of various Polymer Compounds such as Ethylene-vinyl acetate (**EVA Compounds**), Polyvinyl chloride resins (**PVC resins**), chlorinated Parrafin, Polyethylene Compound (PE Compounds) and Thermoplastic Rubber Compounds (**TPR Compounds**). However, subsequent to the acquisition of 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' under the scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi, our Company also started manufacturing Polymer Compounds such as PE Compound, Polyvinyl Chloride Compound (**PVC Compounds**), V blend SOE Compound, Polypropylene Compounds (**PP granules**), TPR Compounds from FY 2019-20 onwards.

During 2020-2021, our Company initiated trading in raw and finished cashew nuts and trading of rice to pursue one of its business strategies to venture and expand into FMCG industry.

In the year 2021, our Company has ventured in other infra products business and has started trading of food grade piping systems for drinking water for drinking water under the Jal Jeevan Mission initiated by Department of Drinking Water & Sanitation, Ministry of Jal Shakti, Government of India and also initiated trading of steel pipes, steel pipes fittings and bars.

For further details, please refer to the chapter titled "*Our Business*" beginning on page 81 of this Draft Letter of Offer.

### 3. Our Promoter

The Promoters of our company Mr. Vikas Garg, M/s Vikas Garg HUF, Ms. Seema Garg, Ms. Sukriti Garg, Mr. Vinod Kumar Garg, M/s Vinod Kumar Garg HUF, Ms. Shashi Garg, Mr. Vaibhav Garg.

#### 4. Subscription to the Issue by our Promoter and Promoter Group

Our Promoter and Promoter Group, by way of their letters dated October 13, 2021 (the "**Promoter and Promoter Group Letters**"), have confirmed to (i) subscribe, to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce their Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of any other member(s) of the Promoter and Promoter Group); (ii) also subscribe to Rights Equity Shares for the Rights Entitlements, if any, which are renounced in their favour by any other member(s) of the Promoter and Promoter group; and (iii) their intention to apply for and subscribe to additional Rights Equity Shares and to any unsubscribed portion in this Issue, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares by our Promoter and members of our Promoter Group, over and above their Rights Entitlements, as applicable, or subscription to the unsubscribed portion of this Issue, shall not result in a change of control of the management of our Company. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

#### 5. Objects of the Issue

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

		(₹ in lakhs)
Particulars		Amount
Gross proceeds from the Issue#		4,985*
Less: Adjustment of Unsecured Loans against the Entitlement of the Promoters		750
Less: Issue related expenses		110
<b>Net Proceeds of the Issue</b>		<b>4,125</b>

# assuming full subscription and allotment

\*The issue size will not exceed ₹4985 lakhs. If there is any reduction in the amount on account of or at the time of finalisation of issue price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose

#### 6. Summary of Financial Information

Following are the details as per the Financial Information as at and for the Financial Years ended on March 31, 2020, March 31, 2021 and June 30, 2021:

		(₹ in lakhs)		
Particulars		June 30, 2021	March 31, 2021	March 31, 2020
Authorised Share Capital		10,000	6700.00	6700.00
Paid-up Capital		9288.94	6634.95	6634.95
Net Worth attributable to Equity Shareholders		13,384.91	6666.96	5,352.27
Total Revenue		2,533.43	7600.98	15,818.93
Profit after tax		33.33	(350.18)	139.73
Earnings per Share (basic & diluted) (in ₹)		0.004	(0.053)	0.0211
Net Asset Value per Equity Share (in ₹)		1.44	(0.053)	0.81
<b>Total Borrowings</b>		<b>2,178.15</b>	<b>4130.33</b>	<b>4,055.09</b>

#### 7. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoter, and our Directors is provided below:

### **Litigations involving our Company**

i) Cases filed by our Company:

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved*(in ₹)</b>
Criminal matters	2	Not ascertainable
Direct Tax matters	NIL	NIL
Indirect Tax matters	NIL	NIL
Actions taken by regulatory authorities	NIL	NIL
Material civil litigations	2	6,94,83,677

*\*To the extent quantifiable*

ii) Cases filed against our Company:

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved* (in ₹)</b>
Criminal matters	1	6,20,721
Direct Tax matters	Not ascertainable	1,57,18,629.9
Indirect Tax matters	1	88,40,609
Actions taken by regulatory Authorities	NIL	NIL
Material civil litigations	NIL	NIL

*\*To the extent quantifiable*

For further details, please see the chapter titled "***Outstanding Litigation and Material Developments***" beginning on page 166 of this Draft Letter of Offer.

### **8. Risk Factors**

Please see the chapter titled "***Risk Factors***" beginning on page 24 of this Draft Letter of Offer.

### **9. Summary of Contingent Liabilities**

Please see the chapters titled "***Financial Information***" beginning on page 94 of the Financial Information section in this Draft Letter of Offer.

### **10. Summary of Related Party Transactions**

Please refer "***Financial Information***" beginning on page 94 of the Financial Information in this Draft Letter of Offer.

### **11. Issue of equity shares made in last one year for consideration other than cash**

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

### **12. Split or consolidation of Equity Shares in the last one year**

Our Company has not carried any split or consolidation of Equity Shares in last one year.

## SECTION II – RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including in "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Selected Statistical Information" and "Financial Statements" before making an investment in our Equity Shares.*

*The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of increasing many of the other risks described in this section, such as those relating to non-payment or default by borrowers. In making an investment decision with respect to this Issue, you must rely on your own 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.*

*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 as a result 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" "our" refers to our Company.*

### INTERNAL RISK FACTORS

#### **BUSINESS RELATED RISKS**

1. ***The novel coronavirus (Covid-19) pandemic outbreak and steps taken control the same have significantly impacted our business, results of operations, financial condition and cash flows and further impact will depend on future developments, which are highly uncertain.***

The rapid and diffused spread of COVID-19 and global health concerns relating to this outbreak have had a severe negative impact on all businesses, including the chemical industry in which our Company operates and from where it derives substantial revenues and profits. The COVID-19 pandemic could continue to have an impact that may worsen for an unknown period of time. Currently, there is substantial medical uncertainty regarding COVID-19 and till any cure is found, this pandemic may continue to cause unprecedented economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe.

The pandemic has caused us to modify our business practices to help minimize the risk of the virus to our employees, which could negatively impact our business. These measures include temporarily requiring employees to work remotely, suspending all non-essential business travel for our employees, limiting external guests visiting our offices, and canceling, postponing, or holding meetings and events virtually. Given the continually evolving situation, there is no certainty that the measures we have taken will be sufficient to mitigate the risks posed by the pandemic.

The extent to which the COVID-19 pandemic impacts our business, results of operations, cash flows and financial condition will depend on developments that continue to be highly uncertain and difficult to predict, including, but not limited to, the duration and spread of the pandemic, its severity, the actions to contain the virus or treat its impact, the availability, distribution and efficacy of vaccines, and how quickly and to what extent normal economic and operating conditions can resume. Even after the

COVID-19 pandemic has subsided, we may experience material and adverse impacts to our business as a result of the virus's global economic impact, including the availability of credit, bankruptcies or insolvencies of merchants, and recession or economic downturn.

2. ***There are outstanding litigations involving our Company which, if determined against us, may adversely affect our business and financial condition.***

As on the date of this Draft Letter of Offer, our Company is involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and/ or severally from us and/ or other parties, as the case may be. We cannot assure you that these legal proceedings will be decided in favour of our Company, or that no further liability will arise out of these proceedings. We may incur significant expenses in such legal proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. Any adverse decision may adversely affect our business, results of operations and financial condition.

A summary of the pending tax proceedings and other material litigations involving our Company is provided below:

i) Cases filed by our Company:

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved*(in ₹)</b>
Criminal matters	2	Not ascertainable
Direct Tax matters	NIL	NIL
Indirect Tax matters	NIL	NIL
Actions taken by regulatory authorities	NIL	NIL
Material civil litigations	2	6,94,83,677

*\*To the extent quantifiable*

ii) Cases filed against our Company:

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved* (in ₹)</b>
Criminal matters	1	6,20,721
Direct Tax matters	Not ascertainable	1,57,18,629.9
Indirect Tax matters	1	88,40,609
Actions taken by regulatory Authorities	NIL	NIL
Material civil litigations	NIL	NIL

*\*To the extent quantifiable*

For further details, please refer "**Outstanding Litigation and Material Developments**" at page 166 of the Legal and Other Information section in this Draft Letter of Offer.

3. ***Our Company may not be able to acquire proposed land for agro product division of our Company from the Net Proceeds of the issue.***

Our Company proposes to utilise a portion of the Net Proceeds i.e. ₹ 900 million, towards expansion of its footprint in agro product division by acquiring agricultural land during Fiscal 2022 in accordance with the business plan of our Company and with the focus to meet the increasing demand of agro products. Our Company has entered into an agreement to sell dated August 18, 2021 with the seller and has paid Rs. 1,500 lakhs towards the total consideration for the proposed purchase of the land. Although, our promoter and management are confident enough that our Company will be in position to acquire the requisite piece of land by paying the remaining amount of Rs. 900.00 Lakhs from the Net Proceeds for setting up agro-product division, however there can no assurance that our company will be able to acquire such land within the stipulated timelines or acquire at all.

In case, our Company is unable to acquire the said identified land, we have to find alternates routes for deployment of funds raised through proceeds of this Rights Issue. Moreover, our Company may use interim proceeds of this Rights Issue until the proposed acquisition of land completes

4. ***Any disturbance in or shutdown of our Manufacturing Facility may have a material adverse effect on our entire manufacturing operations and consequently, our business, financial condition and our results of operations.***

Our manufacturing operations are based out of our manufacturing facility located at G-83, Vigyan Nagar, RIICO Industrial area, Shahjahanpur, Alwar, Rajasthan. As on the date of this Prospectus, the manufacturing facility is dedicated towards the manufacture of Polymer Compound and Recycling Materials. For further details, see "***Our Business***" beginning on page **81** of this Draft Letter of Offer.

Our manufacturing operations and consequently our business is dependent upon our ability to manage the manufacturing facility, which is subject to operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents, localised social unrest and natural disasters. In the event there are any disruptions at our manufacturing facility, due to natural or man-made disasters, workforce disruptions, regulatory approval delays, fire, failure of machinery, lack of access to assured supply of electrical power and water at reasonable costs or any significant social, political or economic disturbances, our ability to manufacture our products may be adversely affected.

Any contravention of or non-compliance with the terms of various regulatory approvals applicable to the manufacturing facility may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labour involved in our manufacturing facility, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

5. ***Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.***

The success of our operations depends on, among other things, our ability to source raw materials at competitive prices. Raw materials are subject to supply disruptions and price volatility caused by various factors such as the quality and availability of raw materials, currency fluctuations, consumer demand, changes in domestic as well as international government policies and regulatory sanctions.

We seek to source our raw materials from reputed suppliers and typically seek quotations from multiple suppliers. We do not have long-term contracts with our suppliers. We typically purchase raw materials on a purchase order basis. Consequently, we may be required to regularly negotiate prices with our suppliers in case of significant fluctuations in raw material prices. The absence of long-term supplier contracts subjects us to risks such as price volatility, unavailability of certain raw materials in the short term and failure to source critical raw materials in time, which would result in a delay in manufacturing of the final product. Further, we cannot assure you that we will be able to enter into new arrangements with suppliers on terms acceptable to us, which could have an adverse effect on our ability to source raw materials in a commercially viable and timely manner, if at all, which may impact our business and profitability. Our suppliers may also be unable to provide us with sufficient quantity of raw materials, at prices acceptable to us, for us to meet the demand for our products. While, we typically sell our products to our customers on a purchase order basis, given that we have long term relationships with many of our customers, our ability to pass on increases in the costs of raw materials and other inputs to our customers may be limited. We are also subject to the risk that one or more of our existing suppliers may discontinue their operations, which may adversely affect our ability to source raw materials at a competitive price.

If we are unable to purchase the raw materials from such suppliers for any reason including due to cessation of operations by such suppliers, disputes with such suppliers, or if there is a substantial

increase in the prices charged by such suppliers, there can be no assurance that we will be able to identify alternative suppliers for our raw materials at similar cost and other terms of purchase.

Any increase in raw material prices may result in corresponding increases in our product costs. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to our customers in an efficient, reliable and timely manner, and consequently adversely affect our business, results of operations and financial condition.

6. ***We have ventured into new line of businesses such as FMCG segment, trading of agro products and trading of infra products and intends to explore other business opportunities in which neither the Company nor the Promoters have any rich experience.***

During 2020-2021, we have ventured into new line of businesses such as FMCG segment, trading of agro products and infrastructure products and also intends to explore other business opportunities in which neither the Company nor the Promoters have any rich experience. Further, the risks involved in entering a new line of business may be higher than expected. By entering in new line of business, we may be exposed to significant liability and could lose some or all of our investment in such business, as a result of which our business, financial condition and results of operations could be adversely affected. If we are unable to effectively manage the risks associated with our growth and expansion strategies, we may be adversely affected.

7. ***Our agreements with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.***

Our Company has entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure (including this present proposed Rights Issue), formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying secured loan and unsecured loans, undertake guarantee obligations, which require our Company to obtain prior approval of the lenders for any of the above activities. We have applied to all the relevant lenders for consent/no objection certificate to undertake the Issue. As on date of this Draft Letter of Offer, we are yet to receive consents. Undertaking the Issue without such consents constitutes a breach of covenant under the relevant financing documents, which entitles the respective lender to consider this Issue as an event of default under the loan agreements and they may call up the entire outstanding amount and make it payable forthwith at their discretion. We cannot provide any assurance that our lenders will not enforce their rights relating to our breach of financial covenants, or grant us waivers with respect to any such breaches. The occurrence of any of the events mentioned above can adversely affect our business, results of operations and financial condition.

8. ***Our clients operate in various industry segments/verticals and fluctuations in the performance of the industries in which our clients operate may result in a loss of clients, a decrease in the volume of work we undertake or the price at which we offer our services. This can further lead to dependency on a limited number of clients, which may expose us to a high risk of client concentration.***

For the FY ended March 31, 2021 our top ten customers contributed 88.80%, towards our revenue from operations, respectively. Our business operations are highly dependent on our customers and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations.

While we typically have long term relationships with our customers, as an industry practice, we do not enter into long terms agreements with most of our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers. The actual revenue earned by our Company may differ from the estimates of our management due to the absence of long-term agreements. The loss of one or more of these significant or key customers or a

reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

A decline in our clients' business performance may lead to a corresponding decrease in demand for our product. We are also exposed to fluctuations in the performance of the industries in which our significant clients operate.

Our clients may also decide to reduce spending on services due to a changing economic environment and other factors relating to the industry in which they operate. For instance, in this period of pandemic wherein all the industries are facing a slowdown and cash crunch due to the lockdown and other restrictions imposed by several State Governments has resultant in a widespread impact on the industry. In view of the present situation, a number of our clients have halted their business operations which could prompt them to cease using our services, thereby resulting in loss of our market share. A loss of any of our significant clientele, a decrease in the volume of work our clients outsource to us or a decline in our prices may materially and adversely affect our business, operations, financial condition, results of operations and prospects.

9. ***We operate in a highly fragmented and competitive industry and increased competition may lead to a reduction in our revenues, reduced profit margins or a loss of market share.***

We operate in a highly competitive industry, dominated by a large number of organized and unorganized players. Increased competition from other organized and unorganized third-party logistics providers may lead to a reduction in our revenues, reduced profit margins or a loss of market share.

Our success depends on our ability to anticipate, understand and address the preferences of our existing and prospective clients as well as to understand evolving industry trends and our failure to adequately do so could adversely affect our business.

In areas of business or verticals where we are a new entrant such as manufacture of Recycling Materials, we may be unable to compete effectively with our competitors, some of whom may have more experience. Other factors that could affect our ability to maintain our levels of revenues and profitability include the development of an operational model similar or superior to ours by a competitor. Our inability to compete effectively could affect our ability to retain our existing clients or attract new clients which may in turn materially and adversely affect our business, financial condition, results of operations, cash flows and prospects.

10. ***Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.***

Our Company has experienced negative net cash flow in operating, investing and financing activities in the past. Following are the details of our cash flow position during the last three financial years and three-month period ending June 30, 2021 based on financial statements are;

(₹ in lakhs)			
Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Net cash flow from operating activities (A)	(768.21)	377.05	(1159.19)
Net cash flow from / (used in) investing activities (B)	1192.12	(139.86)	1.68
Net cash flow from / (used in) financing activities (C)	(426.88)	(369.93)	1299.67

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition. For further details please refer to "**Financial Information**" beginning on page 94 of this Draft Letter of Offer.

11. ***Our Company has posted negative profits in the past.***

Our Company has in the past incurred losses. There can be no assurance that we will be able to maintain the profitability in future. The details are as mentioned below:

(₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Total Comprehensive Income for the period	33.33	(350.17)	139.72

For further details please refer to "**Financial Information**" beginning on page 94 of this Draft Letter of Offer.

12. ***We have issued Equity Shares at a price that may be lower than the Issue Price in the last 12 months***

Except as disclosed below, our Bank has not issued any Equity Shares in the last 12 months immediately preceding the date of this Prospectus at a price which may be lower than the Issue Price.

S. No.	Name of Allottees	Number of Equity Shares allotted	Issue Price	Mode of allotment	Date of allotment
1.	Vikas Garg	49,945,945	1.85	Right Issue	June 22, 2021
2.	Vivek Garg	3,500,000	1.85	Right Issue	June 22, 2021
<b>Total</b>		<b>5,34,45,945</b>			

13. ***Our business strategies and expansion plans may be subject to various unfamiliar risks and may not be successful.***

Our business strategies include widening our customer base by entering into new geographies and strengthening our relationships with our existing clients. For further details, see "**Our Business**" on page 81 of this Draft Letter of Offer. These strategies require us to expand our operations to other geographical areas and in new industry verticals. Risks that we may face in implementing our business strategy in these markets may substantially differ from those previously experienced, thereby exposing us to risks related to new markets, industry verticals and clients. The commencement of operations beyond our current markets and industry verticals is subject to various risks including unfamiliarity with pricing dynamics, competition, service and operational issues as well as our ability to retain key management and employees. There can also be no assurance that we will not experience issues such as capital constraints, difficulties in expanding our existing operations and challenges in training an increasing number of personnel to manage and operate our expanded business, or that we will be able to successfully manage the impact of our growth on our operational and managerial resources and control systems. We may not be able to successfully manage some or all of the risks associated with such an expansion into new geographical areas and new industry verticals, which may place us at a competitive disadvantage, limit our growth opportunities and materially and adversely affect our business, results of operations and financial condition.

14. ***Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For details, see "**Objects of the Issue**" beginning on page 58 of this Draft Letter of Offer.

15. ***Misconduct or errors by manpower engaged by us could expose us to business risks or losses that***

***could adversely affect our business prospects, results of operations and financial condition.***

Misconduct or errors by manpower engaged by us could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. Consequently, our ability to control the workplace environment in such circumstances is limited. The risks associated with the deployment of manpower engaged by us across locations include, among others, possible claims relating to; actions or inactions, including matters for which we may have to indemnify our clients; our failure to adequately verify personnel backgrounds and qualifications resulting in deficient services; failure of manpower engaged by us to adequately perform their duties; errors or malicious acts or violation of health and safety regulations; or criminal acts.

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and adversely impact our reputation and brand name. Further, we may be forced to indemnify our clients against losses or damages suffered by our clients as a result of negligent acts of manpower engaged by us. We may also be affected in our operations by the acts of third parties, including sub-contractors and service providers. Any claims and proceedings for alleged negligence as well as regulatory actions may in turn materially and adversely affect our brand and our reputation, and consequently, our business, financial condition, results of operations and prospects.

16. ***In the past, there have been instances of delays and non-filings of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to RoC.***

In the past, there have been certain instances of delays in filing statutory forms such as e-form DIR-12 etc. as per the reporting requirements under the Companies Act, 2013 with the RoC, which have been subsequently filed by payment of an additional fee as specified by RoC.

No show cause notice in respect to the above has been received by our Company till date and except as stated in this Draft Letter of Offer, no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

17. ***As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations and comply with other SEBI regulations. Any non-compliance/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.***

The Equity Shares of our Company are listed on BSE and NSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations and comply with other applicable Regulations framed by SEBI. Our Company endeavors to comply with all such obligations/reporting requirements, however there have been instances in the past of delayed disclosures/ inadvertently factually incorrect disclosures under SEBI Listing Regulations such as delayed filings under 23(9) and Regulation 30 of SEBI Listing Regulations and other delayed compliance under Regulation 74(5) of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018. However, Company has made all requisite disclosures by making delayed filings or by promptly correcting the factual disclosures. Such non-compliance which might have been committed by us, may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

18. ***Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.***

Our business requires a significant amount of working capital. Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payment for the services provided by us, on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we incurred pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. In general, we take provisions for bad debts, including those arising from such defaults based primarily on ageing and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. All of these factors may result, or have resulted, in increase in the number of receivables and short-term borrowings. Continued increase in working capital requirements may adversely affect our financial condition and results of operations. We may also have large cash flows, including among others, litigation costs, adverse political conditions, foreign exchange risks and liability claims. Moreover, we may require additional finance facility in the future to satisfy our working capital needs.

19. ***Our Company does not have any documentary evidence for the educational qualifications and experience of our Directors.***

Our Directors are unable to trace relevant documents with respect to their educational qualifications and their experience. Due to lack of documents and relevant information from the aforementioned Directors, we have relied upon their Biodata provided to us as is required under the SEBI ICDR Regulations. For further details, please refer to the chapter titled "***Our Management***" beginning on page 90 of this Draft Letter of Offer.

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

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


In relation to our facility and the Objects of the Issue, we are required to maintain and avail certain approvals and licenses. We cannot assure you that we will receive all the required certifications or that we will be able to maintain the validity of the quality certifications that have previously been awarded.

Further, government approvals and licenses are subject to numerous conditions, of which some may be onerous and may require us to undertake substantial compliance-related expenditure. Changes in laws and regulations, more stringent enforcement or alternative interpretation of existing laws and regulations in geographies in which we currently operate may make compliance with all applicable laws and regulations more challenging and could affect us adversely by tightening restrictions, reducing our freedom to do business, increasing our costs of doing business, or reducing our profitability.

Failure to comply with applicable laws or regulations, obtain and maintain any licenses, permits and approvals necessary to operate our business or non-compliance with any conditions imposed thereunder can lead to civil, administrative or criminal penalties, including but not limited to fines or the revocation of permits and licenses that may be necessary for our business activities.

21. ***Our Company has not yet applied for the registration of the logo or any of the intellectual property that it uses with the registrar of Trademarks.***



Our Company has not yet applied for the registration of the logo i.e.  or any of the intellectual property that it uses. Any failure to get the same registered in our name may cause any third-party claim and may lead to litigation and our business operations could be affected. Even if our trademarks are registered, we may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or infringement will not cause damage to our business prospects.

22. ***Our growth and our financial results may be affected by factors affecting the chemical and plastic industry in India.***

Our financial results are influenced by the macroeconomic factors determining the growth of the Indian economy as a whole and the chemical and plastic industry in particular.

Periods of slowdown in the economic growth of India has significantly affected the chemical and plastic sector in the recent past. Any further downturn in our industry and/or changes in governmental policies affecting the growth of this sector may have an adverse effect on the demand for our services which may have an adverse effect on our results of our operations. Especially, during the ongoing pandemic, the economy as a whole has withstood the worst impact of extended lockdown and reduction in the flow of income. Chemical and Plastic sector industries may see a downside in the current situation and an adverse and direct impact could fall on our business operations, demand of our services, revenue and financial condition.

23. ***Our Promoter, Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.***

Our Promoter, Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. For further details please refer to "**Financial Information**" beginning on page 94 of this Draft Letter of Offer.

There can be no assurance that our Promoter, Directors, Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

24. ***Our Promoters and members of the Promoter Group have significant influence over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

After the completion of the Issue, our Promoters and the members of the Promoter Group will hold approximately [●] % of the paid-up equity share capital of our Company assuming full subscription to the Rights Entitlement in the Issue. Our Promoter and the members of the Promoter Group holding Equity Shares in our Company, have undertaken to fully subscribe for their Rights Entitlement. They reserve the right to subscribe for their Rights Entitlement pursuant to any renunciation made by any member of the Promoter Group to another member of the Promoter Group. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. So long as the Promoter has a majority holding, he will be able to elect the entire Board and control most matters affecting us, including the appointment and removal of the officers of our Company, our business strategy and policies and financing. Further, the extent of the Promoter's shareholding in our Company may result in the delay or prevention of a change of management or control of our Company, even if such a

transaction may be beneficial to the other shareholders of our Company.

25. ***We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.***

As of June 30, 2021, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Financial Information aggregates to ₹ 963.94 lakhs. The details of our contingent liabilities are as follows:

Particulars	(₹ in lakhs)
<b>Claims against the company not acknowledged as debts</b>	
Under Tax laws	79.30
Custom Duty	125.34
Bank Guarantees issued by the bank on behalf of the company	300.10
Facility availed by Sister concern on the property in the possession of the company	459.20
<b>Total</b>	<b>963.94</b>

For further details of contingent liability, see the section titled — "**Financial Information**" beginning on page 94 of this Draft Letter of Offer. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

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

As of June 30, 2021, we have entered into several related party transactions with our Promoter, individuals and entities forming a part of our promoter group, our Directors and the entities in which they hold directorships. In addition, we have in the past also entered into transactions with other related parties. Our Company has entered into related party transactions for the three-month period ended June 30, 2021 and the Fiscal ended March 31, 2021. For further details, please refer to the chapter titled — "**Financial Information**" beginning on page 94 of this Draft Letter of Offer.

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

27. ***In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness.***

As on June 30, 2021 our Company's total fund based indebtedness is ₹ 2178.15 lakhs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favorable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations.

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

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

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

Our Company depends on the management skills and guidance of our Promoter and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Managerial Personnel. Some of our employees have been associated with our Company since a long period of time and have been integral to the growth and in the success of our Company. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Directors or Key Managerial Personnel are unable or unwilling to continue in his/ her present position, it could be difficult for us to find a suitable or timely replacement and our business could be adversely affected. There is significant competition for management and other skilled personnel in the industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages and incentives to such Key Managerial Personnel. In the event we are not able to attract and retain talented employees, as required for conducting our business, or we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and operations may be adversely affected. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — "***Our Management***" beginning on page 90 of this Draft Letter of Offer.

30. ***Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as natural disasters. During the Fiscal 2019-20, our company suffered loss of stock amounting to ₹ 1.03 crore due to a fire breakout at our godown in Rajasthan. Presently, we have obtained certain insurance policies. The said policies insure stock, building, furniture, fittings, from earthquake, fire, shock, terrorism, etc. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

31. ***Our Company is subject to foreign exchange control regulations which can pose a risk of currency fluctuations.***

During the financial year 2020-21, our Company had foreign exchange earnings of ₹ 0 (inflow) and outgo of ₹ USD 7.21 Lakhs (outflow) in accordance with the rules and regulations prescribed under FEMA. Due to non-receipt of such payments in a timely manner, our Company may fail to adhere to the prescribed timelines and may be required to pay penalty to the appropriate authority or department to regularize the payment. Further, our international operations make us susceptible to the risk of

currency fluctuations, which may directly affect our operating results. In case we are unable to adhere to the timelines prescribed under the applicable laws or are unable to mitigate the risk of currency fluctuation, it could adversely affect our business, results of operations, financial conditions and cash flows.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

33. ***The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue".***

As the issue size shall be less than ₹10,000 lakhs, under Regulation 41 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Rights Issue Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoter shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled — "***Objects of the Issue***" beginning on page 58 of this Draft Letter of Offer.

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

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled "***Industry Overview***" of this Draft Letter of Offer. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

## **ISSUE SPECIFIC RISKS**

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

Our Company will dispatch this Draft Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form (the "**Offering Materials**") to such Shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e- mail. Presently, there is a

lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Offering Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions.

36. ***The R-WAP payment mechanism facility proposed to be used for this Issue may be exposed to risks, including risks associated with payment gateways.***

In accordance with SEBI Relaxation Circulars, a separate R-WAP facility (accessible at [www.alankit.com](http://www.alankit.com)), has been instituted for making an Application in this Issue by resident Investors (only in the event such Investors are not able to utilize the ASBA facility for making an Application despite their best efforts). Further, R-WAP is only an additional option and not a replacement of the ASBA process. On R-WAP, the resident Investors can access and fill the Application Form in electronic mode and make online payment using the internet banking or UPI facility from their own bank account thereat. For details, see "**Terms of the Issue**" beginning on page 177 of this Draft Letter of Offer. Such payment gateways and mechanisms are faced with risks such as:

- keeping information technology systems aligned and up to date with the rapidly evolving technology in the payment services industries;
- scaling up technology infrastructure to meet requirements of growing volumes;
- applying risk management policies effectively to such payment mechanisms;
- keeping users' data safe and free from security breaches; and
- effectively managing payment solutions logistics and technology infrastructure.

**Further, R-WAP is a new facility which has been instituted due to challenges arising out of the COVID-19 pandemic. We cannot assure you that R-WAP will not suffer from any unanticipated system failure or breakdown or delay, including failure on part of the payment gateway, and therefore, your Application may not be completed or may be rejected. These risks are indicative and any failure to manage them effectively can impair the efficacy and functioning of the payment mechanism for this Issue. Since Application process through R-WAP is different from the ASBA process, there can be no assurance that investors will not find difficulties in accessing and using the R-WAP.**

37. ***The entitlement of Equity Shares to be allotted to investors applying for Allotment in physical form, will be kept in abeyance.***

In accordance with the SEBI ICDR Regulations, the option to receive the Rights Equity Shares in physical form will not be available after a period of six months from the date of coming into force of the SEBI ICDR Regulations, i.e., May 10, 2019. Since, the Rights Equity Shares offered pursuant to this Issue will be Allotted only after May 10, 2019, the entitlement of Rights Equity Shares to be Allotted to the Applicants who have applied for Allotment of the Rights Equity Shares in physical form will be kept in abeyance in electronic mode by our Company until the Applicants provide details of their demat account particulars to the Registrar. Pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 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).

38. ***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 the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result 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.

39. ***No market for the Rights Entitlements may develop and the price of the Rights 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.

40. ***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. Further, 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 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. Further, until the subsistence of Rights Equity Shares, we may not be able to undertake certain forms of equity capital raising.***

The Issue Price is ₹ [●] per Rights Equity Share. Investors will have to pay ₹ [●] per Rights Equity Shares which constitutes 40% of the Issue Price on Application and the balance ₹ [●] per Rights Equity Shares which constitutes 60% of the Issue Price on one or more subsequent Call(s), as determined by our Board 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 as per the timelines stipulated in the Call notice, unless extended by our Board, the defaulting Rights Equity Shareholders 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 Articles of Association. For details, see "***Terms of the Issue***" beginning on page 177 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 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 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.

41. ***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. The Calls may be revoked or postponed at the discretion of our Board, from time to time. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 14 days' notice for the payment of the Calls. Our Board 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 details, see "***Objects of the Issue***" beginning on page 58 of this Draft Letter of Offer.

42. ***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.

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

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

44. ***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 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 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.

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

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

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

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

47. ***Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

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

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

Our Articles of Association and Indian law govern our corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, Directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a corporate entity in another jurisdiction. Shareholders' rights 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 one of our shareholders than as a shareholder of a bank or corporate entity in another jurisdiction. In accordance with the provisions of the Companies Act, the voting rights of an equity shareholder in a company shall be in proportion to the share of a person in the paid-up equity share capital of that company. Further, Section 106(1) of the Companies Act read with the Articles of Association specifically provides that no member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid. Therefore, the rights of holders of the Rights Equity Shares will not be *pari passu* with the rights of the other shareholders of our Company in case of non-payment of Call Money(ies).

49. ***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.

50. ***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.

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

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

52. ***SEBI has recently, by way of circulars dated January 22, 2020 and May 6, 2020, 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 circulars dated January 22, 2020 and May 6, 2020, 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***" beginning on page 177 of this Draft Letter of Offer. In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) demat suspense escrow account (namely, "[●]") opened by our Company, for the Eligible Equity

Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) 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.

53. ***The Eligible Equity Shareholders holding Equity Shares in physical form and who do not provide details of their demat accounts within 6 (six) months of Allotment Date, may suffer loss in case of sale of their Rights Equity Shares by our Company at the prevailing market price.***

The Rights Equity Shares will be credited to a demat suspense account to be opened by our Company, in case of Allotment in respect of resident Eligible Equity Shareholders holding Equity Shares in physical form and who have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date. Such Eligible Equity Shareholders are required to send, among others, details of their demat accounts to our Company or the Registrar within 6 (six) months from the Allotment Date. For details, see "Terms of the Issue" on page 177 of this Draft Letter of Offer. Our Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Rights Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. In case of non-receipt of such details of demat account, our Company shall conduct a sale of such Rights Equity Shares lying in the demat suspense account on the floor of the Stock Exchanges at the prevailing market price and remit the proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) to the bank account mentioned by the resident Eligible Equity Shareholders in their respective Application Forms and from which the payment for Application Money was made. Proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) may be higher or lower than the Application Money paid by such Eligible Equity Shareholders. We cannot assure you that such proceeds by way of sale of such Rights Equity Shares will be higher than the Application Money paid by you, and that you shall not suffer a loss in this regard. Further, in case, bank accounts of the aforesaid Eligible Equity Shareholders cannot be identified due to any reason or bounce back from such bank accounts, our Company may use payment mechanisms such as cheques, demand drafts etc. to remit the proceeds of sale of the Rights Equity Shares to such Eligible Equity Shareholders. If such bank account from which Application Money was received is closed or non-operational, the sale proceeds will be transferred to IEPF in accordance with practice on Equity Shares and as per applicable law.

54. ***Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.***

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

55. ***Overseas shareholders may not be able to participate in the Company's future rights offerings or certain other equity issues.***

If the Company offers or causes to be offered to holders of its Equity Shares rights to subscribe for additional Equity Shares or any right of any other nature, the Company will have discretion as to the procedure to be followed in making such rights available to holders of the Equity Shares or in disposing of such rights for the benefit of such holders and making the net proceeds available to such holders. For instance, the Company may not offer such rights to the holders of Equity Shares who have a registered address in the United States unless:

- a registration statement is in effect, if a registration statement under the US Securities Act is required in order for the Company to offer such rights to holders and sell the securities represented by such rights; or
- the offering and sale of such rights or the underlying securities to such holders are exempt from registration under the provisions of the US Securities Act. The Company has no obligation to prepare or file any registration statement. Accordingly, shareholders who have a registered address in the United States may be unable to participate in future rights offerings and may experience a dilution in their holdings as a result.

## **EXTERNAL RISK FACTORS**

56. ***Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.***

Our summary statements of assets and liabilities as at March 31, 2021 and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Fiscals 2021 have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

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

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

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

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

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- prevailing regional or global economic conditions; and
- 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.

59. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and 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, including the instances mentioned below, 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.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- the General Anti Avoidance Rules ("GAAR") have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. 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 affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

60. ***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.

61. ***Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and

other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

62. ***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.

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

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

64. ***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 ("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 ("**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 ("**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.

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

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

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

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

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

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

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;

- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighboring countries;
- hostile or war like situations with the neighboring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

67. ***Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The recent outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

## SECTION III: INTRODUCTION

### THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on August 25, 2021 pursuant to Section 62(1)(a) of the Companies Act. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in the chapter titled "*Terms of the Issue*" on page 177 of this Draft Letter of Offer.

Particulars	Details of Equity Shares
<b>Equity Shares proposed to be issued</b>	Up to [●] Equity Shares
<b>Rights Entitlement</b>	[●] Equity Share for every [●] fully paid-up Equity Share(s) held on the Record Date
<b>Fractional Entitlement</b>	[●]
<b>Record Date</b>	[●]
<b>Face value per Equity Shares</b>	₹ 1
<b>Issue Price per Rights Equity Shares</b>	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)  On Application, Investors will have to pay ₹ [●] per Rights Equity Share, which constitutes 40% of the Issue Price and the balance ₹ [●] per Rights Equity Share which constitutes 60% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined by our Board at its sole discretion, from time to time.
<b>Issue Size</b>	Issue not exceeding ₹4,985 lakhs <i>#To be adjusted as per the Rights Entitlement ratio</i>
<b>Dividend</b>	Such dividend as may be declared by our Board and our shareholders, as per applicable law
<b>Equity Shares issued, subscribed and paid up prior to the Issue</b>	92,88,93,693 Equity Shares. For details, see " <i>Capital Structure</i> " beginning on page 56 of this Draft Letter of Offer
<b>Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b>	[●] <sup>#</sup> Equity Shares  <i>#Assuming full subscription</i>
<b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b>	[●]
<b>Money payable at the time of Application</b>	[●]
<b>Scrip Details</b>	<b>ISIN:</b> INE161L01027 <b>BSE:</b> 542655 <b>NSE:</b> VIKASLIFE
<b>Use of Issue Proceeds</b>	For details please refer to the chapter titled " <i>Objects of the Issue</i> " on page 58 of this Draft Letter of Offer.
<b>Terms of the Issue</b>	For details please refer to the chapter titled " <i>Terms of the Issue</i> " on page 177 of this Draft Letter of Offer.

Please refer to the chapter titled "*Terms of the Issue*" on page 177 of this Draft Letter of Offer.

#### Issue Schedule

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

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

### Terms of payment

For issue of [●] Rights Equity Shares

Amount Payable per Rights Equity Share (Due Date)*	Face Value (₹)	Premium (₹)	Total (₹)
On Application	[●]	[●]	[●]**
On Call (One or more) as determined by our Board at its sole discretion, from time to time	[●]	[●]	[●]***
<b>Total</b>	[●]	[●]	[●]

\*For further details on Payment Schedule, see "**Terms of The Issue**" beginning on page 177 of this Draft Letter of Offer.

\*\*Constitutes 40% of the Issue Price.

\*\*\* Constitutes 60% of the Issue Price.

## GENERAL INFORMATION

Our Company was incorporated as "*Akshatha Management Consultants Private Limited*" on November 9, 1995 as a private limited company under the Companies Act, 1956 and was granted the certificate of incorporation by the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi. Subsequently, the name of our Company was changed to Akshatha Services Private Limited and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi on May 29, 2001. Thereafter, on December 29, 2008, vide a fresh certificate of incorporation granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi, the name of the Company was changed to Moonlite Technochem Private Limited.

Our Company was then converted into a public limited company upon the receipt of approval from the Central Government and changed its name to Moonlite Technochem Limited and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi on November 1, 2016. Subsequent to the conversion, our Company again changed its name to Vikas Multicorp Limited and a fresh certificate of incorporation consequent upon change of name was granted by the Registrar of Companies, National Capital Territory Delhi and Haryana at New Delhi on January 24, 2017.

Pursuant to the order of the National Company Law Tribunal, Principal Bench, New Delhi dated October 31, 2018 approving the Scheme of Arrangement, the 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' was demerged from Vikas Ecotech Limited and acquired by our Company. Pursuant to completion of said demerger, the equity shares of the Company were listed on May 8, 2019 at the NSE and the BSE.

The name of our Company has again changed to Vikas Lifecare Limited and a fresh certificate of incorporation dated April 9, 2021 was issued under the seal of Registrar of Companies, Delhi.

### **Registered and Corporate Office, CIN and registration number of our Company**

G-1, 34/1,

East Punjabi Bagh,

Delhi – 110026

**Telephone:** 011-40450110

**Website:** [www.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com)

**Corporate Identity Number:** L25111DL1995PLC073719

**Registration Number:** 073719

**E-mail:** [info@vikaslifecarelimited.com](mailto:info@vikaslifecarelimited.com)

### **Address of the RoC**

Our Company is registered with the RoC Dehli, which is situated at the following address:

#### **Registrar of Companies**

4th Floor, IFCI Tower

61, Nehru Place

New Delhi - 110019

### **Company Secretary and Compliance Officer**

#### **Mrs. Monika Soni**

32-A Panchwati Colony

Near Medical Center,

Jhotwara

Jaipur - 302012

Telephone: 011-40450110

E-mail: [cs@vikaslifecarelimited.com](mailto:cs@vikaslifecarelimited.com)

## Board of Directors of our Company

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

Name	Age	Designation	Address	DIN
Mrs. Richa Sharma	31	Chairman - Independent Director	D-2/32, Street No. 5, Mahavir Enclave, New Delhi - 110045	08709599
Mr. Vivek Garg	46	Managing Director	House no. 10, Road No. 4, East Punjabi Bagh, Punjabi Bagh, West Delhi, Delhi 110026	00255443
Mr. Vikas Garg	48	Non-Executive - Independent Director	Non-House no. 7, Road No. 41, West Punjabi Bagh, Punjabi Bagh, West Delhi, Delhi 110026	00255413
Mr. Vijay Kumar Sharma	55	Executive Director-Chief Executive Officer	House No. 1075, Sector - 10, Housing Board Faridabad, Sector - 7, Faridabad, Haryana - 121006	08721833
Mrs. Preeti Gupta	27	Non-Executive Independent Director	-H-15/6 3rd Floor, Malviya Nagar, South Delhi-110017	09277719
Mr. Anil Kumar Deswal	55	Non-Executive Independent Director	-A-304, 3rd Floor, Tower A, MSX Alpha Homes, Plot No. GH10, Alpha 1, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh - 201308	07215544
Ms. Ruby Bansal	35	Non-Executive Independent Director	-T-27B, Near Jain Sthanak, Uttam Nagar, D.K. Mohan Garden, West Delhi, New Delhi, Delhi - 110059	09338232
Mr. Arvind Gupta	62	Director of Finance cum Chief Financial Officer	107 C, GH-2, Ankur Appt., Paschim Vihar, West Delhi, New Delhi - 110063	02549596

For detailed profile of our Directors, please refer to the chapter titled "***Our Management***" beginning on page 90 of this Draft Letter of Offer.

## Chief Financial Officer

Arvind Gupta, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.  
107 C, GH-2, Ankur Appt., Paschim Vihar, West Delhi, New Delhi - 110063  
**Telephone:** 011-40450110  
**E-mail:** cfo@vikaslifecarelimited.com

## Details of Key Intermediaries pertaining to this Issue of our Company:

### Registrar to the Company

#### Alankit Assignments Limited

2E/21, Jhandewalan Extension,  
New Delhi-110055

**Telephone:** 011- 42541234, 23541234

**Facsimile:** 011- 23552001

**E-mail:** [info@alankit.com](mailto:info@alankit.com) , [rt@alankit.com](mailto:rt@alankit.com)

**Website:** [www.alankit.com](http://www.alankit.com)

**Contact person:** Mr. Vijay Pratap Singh

**Investor grievance email id:** [vijayps1@alankit.com](mailto:vijayps1@alankit.com)

**SEBI Registration No:** INR000002532

**Registrar to the Issue**

[•]

**Telephone:** [•]**Facsimile:** [•]**E-mail:** [•]**Website:** [•]**Contact person:** [•]**Investor grievance email id:** [•]**SEBI Registration No:** [•]

As on the date of this Draft Letter of Offer, our Company has not appointed Registrar to the Issue. However, our Company confirms that the Registrar to the Issue shall be appointed prior to the filing of the Letter of Offer as required under the applicable laws.

**Statutory and Peer Review Auditor of our Company:****RSPH & Associates, Chartered Accountants**

906, Vikram Tower,

16, Rajendra Place,

New Delhi-110008

**Telephone:** 011-41538933, 25715850**Email:** [tarun@rsphindia.com](mailto:tarun@rsphindia.com)**Contact Person:** Mr. Tarun Kumar Batra**Membership No.:** 094318**Firm Registration No.:** 003013N**Peer Review Certificate No.:** 011834**Advisors to the Issue****Hexaxis Advisors Limited**

40 RPS, Sheikh Sarai, Phase-1,

New Delhi, South Delhi,

Delhi, 110017

**Telephone:** 011-40503037**Email:** mail@hexaxis.in**Contact Person:** Mr. Pankaj Gupta**Bankers to the Issue/ Refund Bank**

[•]

**Designated Intermediaries***Self-Certified Syndicate Banks*

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

**Inter-se Allocation of Responsibilities**

The Company has not appointed any merchant banker to the Issue (except for the purpose of obtaining pricing certificate, as may be required,) and hence there is no inter-se allocation of responsibilities.

## Investor grievances

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment/ share certificates/ demat credit/ Refund Orders, etc.

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process or R-WAP may be addressed to the Registrar to the Issue, with a copy to the SCSB (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Equity Shares applied for, amount blocked (in case of ASBA process) or amount debited (in case of R-WAP process), ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process), and copy of the e-acknowledgement (in case of R-WAP process). For details on the ASBA process and R-WAP process, see "**Terms of the Issue**" beginning on page 177 of this Draft Letter of Offer.

## Credit Rating

As this is an Issue of Equity Shares, credit rating is not required.

## Debenture Trustees

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

## Monitoring Agency

As the net proceeds of the Issue will be less than ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

## Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, this Draft Letter of Offer will be filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

## Changes in Auditors during the last three years

There has been no change in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Letter of Offer except as set-out below.

Name of Auditor	Address and E-mail	Date of Appointment/ Cessation	Reason
Goyal Nagpal and Co. <i>Firm Registration Number: 018289C</i> <i>Peer Review Number: 012761</i>	320-A, Street No. 6, Dheeraj Vihar, Karala, Delhi-110085 <i>E-mail: <a href="mailto:goyalnagpal01@gmail.com">goyalnagpal01@gmail.com</a></i>	August 25, 2021	Difficulties in conducting audit due to challenges arising out of Covid-19
RSPH & Associates <i>Firm Registration Number: 003013N</i>	906, Vikram Tower, 16, Rajendra Place, New Delhi - 110008 <i>E-mail:</i>	September 20, 2021	Appointment in AGM

Name of Auditor	Address and E-mail	Date of Appointment/ Cessation	Reason
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Peer Review Number: [catarunbatra@gmail.com](mailto:catarunbatra@gmail.com)  
011834

## Issue Schedule

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

# 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 but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares 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, 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., [●].

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, or the Registrar or any advisor to the Issue will not be liable for any loss on account of non-submission of Application Forms 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, see "**Terms of the Issue**" beginning on 177 of this Draft Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at [●] after keying in their respective details along with other security control measures implemented thereat. For further details, see "**Terms of the Issue**" beginning on page 177 of this Draft Letter of Offer.

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

## Minimum Subscription

In accordance with Regulation 86 of the SEBI ICDR Regulations, for this Issue the minimum subscription which is required to be achieved is of at least 90% of the Issue size. Our Company does not fall under the exemption to Regulation 86(1) which has been inserted by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020.

If our Company does not receive the minimum subscription of at least 90% of the Issue size, or the subscription level falls below 90%, after the Issue Closing Date on account of cheques being returned unpaid or withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws.

Further, our Promoter and Promoter Group have confirmed that they will, subscribe to all of the unsubscribed portion in this Issue, 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 Listing Regulations.

Further, our Promoters and Promoter Group have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group) subject to the aggregate shareholding of our Promoters and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI Listing Regulations.

### **Appraising Entity**

None of the purposes for which the Net Proceeds are proposed to be utilized have been 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.

## CAPITAL STRUCTURE

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

S. No.	Particulars	Amount (in ₹ Lakhs, except share data)	
		Aggregate value at nominal value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	1,25,00,00,000 Equity Shares of face value of ₹ 1 each	12,500.00 <sup>(1)</sup>	NA
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	92,88,93,693 Equity Shares of face value of ₹ 1 each	9,288.93	NA
<b>C.</b>	<b>Present Issue in terms of this Draft Letter of Offer<sup>(2)</sup></b>		
	Up to [●] Equity Shares of ₹ 1/- each	[●]	[●]
<b>D.</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>		
	[●] Equity Shares of face value of ₹1 each	[●]	
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue	[●]	
	After the Issue	[●]	

*(1) The Company has passed an ordinary resolution for the purpose of increasing the Authorised Share Capital of the Company from 1,000,000,000 to 1,250,000,000 on September 20, 2021. The Company has filed the copy of the resolution under form MGT-14 with the RoC bearing SRN number T46824959 dated September 24, 2021. However, the Company has filed the form SH-7 on October 9, 2021 with the RoC which is subject to the RoC's approval.*

*(2) The present Issue has been authorised by the Board of Directors and the shareholders of the Company vide resolution passed at its meeting held on August 25, 2021 and September 20, 2021, respectively.*

## NOTES TO CAPITAL STRUCTURE

### 1. **Intention and extent of participation by our Promoter and Promoter Group in the Issue:**

Our Promoter and Promoter Group have undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoter or member(s) of the Promoter Group of our Company. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations.

The additional subscription by the promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in Regulation 38 of the LODR/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

### 2. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ [●] per equity share.

### 3. Shareholding Pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations:

- (i) The shareholding pattern of our Company, as on June 30, 2021, can be accessed on the website of the BSE [here](#); and the NSE [here](#).
- (ii) The statement showing holding of Equity Shares of persons belonging to the category "Promoter and Promoter Group" including the details of lock-in, pledge of and encumbrance thereon, as on June 30, 2021, can be accessed on the website of the BSE [here](#) and the NSE [here](#).
- (iii) The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public" including Equity Shareholders holding more than 1% of the total number of Equity Shares as on June 30, 2021, as well as details of shares which remain unclaimed for public can be accessed on the website of the BSE [here](#) and the NSE [here](#).

### 4. Details of shares locked-in, pledged, encumbrance by promoters and promoter group:

The details of shares locked-in, pledged, encumbrance by Promoters and Promoter Group can be accessed on the website of the BSE [here](#) and the NSE [here](#).

### 5. Details of specified securities acquired by our Promoters and Promoter Group in the last one year immediately preceding the date of filing of the Draft Letter of Offer:

S. No.	Name of Promoter & Promoter Group	Number of Equity Shares acquired	Mode of Acquisition	Date of Acquisition
1.	Vikas Garg	49,945,945	Right Issue	June 22, 2021
2.	Vivek Garg	3,500,000	Right Issue	June 22, 2021
<b>Total</b>		<b>5,34,45,945</b>		

## OBJECTS OF THE ISSUE

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

1. Meeting Capital Expenditure for acquisition of agricultural land for argo product division
2. Meeting Working Capital Requirements
3. General Corporate Purposes

The main Object Clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the Object Clause of our Memorandum of Association.

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

Particulars	Amount (in lakhs)
Gross proceeds from the Issue#	4,985*
Less: Adjustment of Unsecured Loans against the Entitlement of the Promoters	750
Less: Issue related expenses	110
<b>Net Proceeds of the Issue</b>	<b>4,125</b>

*# assuming full subscription and allotment*

*\*The issue size will not exceed ₹4985 lakhs. If there is any reduction in the amount on account of or at the time of finalisation of issue price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose*

One of our Promoter Shareholder namely Mr. Vikas Garg has lent an unsecured loan to our company aggregating to ₹ 1,850 Lakhs for the purpose of working capital requirements and general corporate purposes of the Company. Mr. Vikas Garg has requested the Company to adjust the outstanding unsecured loan aggregating to ₹ 750 lakhs against his entitlement including Rights Entitlements renounced by any of the Promoter and Promoter Group in favour of him, including additional subscription.

Further, Mr. Vikas Garg has requested the Company to adjust remaining amount of his unsecured loan amounting to Rs. 1,100 Lacs to subscribe to additional Rights Equity Shares, in the event of any under-subscription of the Issue, to the extent of at least minimum subscription of the Issue Size, subject to compliance with the minimum public shareholding as prescribed under the Securities Contracts (Regulation) Rules, 1957.

The aforesaid loan was obtained in compliance with applicable law and has been used for the augmentation of existing financial resources of the Company as certified by Statutory Auditor RSPH and Associates, vide certificate dated October 13, 2021.

### Requirement of Funds:

The intended use of the Net Proceeds of the Issue is as under: -

S. No.	Particulars	Total estimated amount to be utilized (₹ in lakhs)
1.	To fund capital expenditure for acquisition of land for Argo-product division	900
2.	Meeting Working Capital Requirements	2,000
3.	General Corporate Purposes	1,225
<b>Total</b>		<b>4,125</b>

### 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% of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

The fund requirement and deployment is based on our Management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan.

### **Details of the Objects of the Issue**

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

#### **1. *To fund Capital Expenditure***

We propose to utilize ₹ 900 lacs out of the Net Proceeds towards Capital Expenditure in purchase of Land/ Property.

#### **Acquisition of land for agro-product division**

As part of growth strategy our company propose to utilize ₹900 lakhs of the net proceeds towards capital expenditure Acquisition of land for argo product division and the details are set forth herein below

<b>Nature of Expense</b>	<b>Estimated Amount in Lakhs</b>	<b>Remarks, if any</b>
Agricultural Land (approx. 40 Bigha comprised in khasra no. 436 to 443 situated in the revenue estate of Village of Naurangpura, Teh. Kotputli. Jaipur, Rajasthan	2,400	Agreement of sale dated August 18, 2021 entered into by and between Priety Kurele and our Company ("Vikas Lifecare Ltd")
<b>Total</b>	2,400	
Less: Advance paid for Agriculture Land	1,500	
<b>Net Total</b>	<b>900</b>	

Our Promoters, Directors and Key Managerial Personnel do not have any interest in the Agricultural Land for argo-commodity division.

Our Company proposes to utilise a portion of the Net Proceeds i.e. ₹ 900 million, towards expansion of its footprint in agro product division by acquiring agricultural land during Fiscal 2022 in accordance with the business plan of our Company and with the focus to meet the increasing demand of agro products. Our Company has entered into an agreement to sell dated August 18, 2021 with the seller and has paid Rs. 1,500 lakhs towards the total consideration for the proposed sale. Although, our promoter and management are confident enough that our Company will be in position to acquired requisite piece of land by paying the remaining amount of Rs. 900.00 Lakhs from the Net Proceeds for setting up argo-product division, however there can no assurance that our company will be able to acquire such land within the stipulated timelines without any hindrance.

#### **2. *Meeting Working Capital Requirements***

Our business is predominantly working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, however this time to strengthen the margins and financials strength of the Company we propose to part fund the Working Capital Requirements to the extent of Rs. 2,000 lakhs from the Net Proceeds of proposed Right Issue.

We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

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

(₹ in lakhs)

Sr. No.	Particulars	As at 31.03.2020 (Audited)	As at 31.03.2021 (Audited)	As at 31.03.2022 (Projected)
<b>A</b>	<b>Current assets</b>			
	(a) Inventories	3,033	2,717	5,100
	(b) Trade receivables	11,624	4,292	6,000
	(c) Cash and bank balances	22	19	150
	(e) Other assets	2,014	2,299	2,500
	<b>Sub-Total</b>	<b>16,693</b>	<b>9,327</b>	<b>13,750</b>
<b>B</b>	<b>Current liabilities</b>			
	(a) Borrowings	3,505	2,510	750
	(b) Trade payables	12,229	3,766	5,000
	(c) Other current liabilities	3,317	371	520
	<b>Sub-Total</b>	<b>19,051</b>	<b>6,647</b>	<b>6,270</b>
<b>C</b>	<b>Net Working Capital (A- B)</b>	(2,358)	2,680	7,480
<b>D</b>	<b>Working Capital Gap</b>	-	5,038	4,800
	<b>Funding Pattern</b>			
	Funding through Internal Accruals		4,114	550
	Funding through Promoter's Rights Entitlement already brought in		<b>924</b>	750
	Funding through Right Issue		-	1,500
	<b>Working Capital funding through Rights Issue proceeds to be utilized</b>		<b>-</b>	<b>2,000</b>

### Notes on Working Capital for the FY 2021-22

Assets – Current Assets	
<b>Debtors</b>	Debtors Holding days decreased from 209 days in FY 2020-2021 to 80 days in FY 2021-2022 on account of increased sales of goods and better credit Management policies ensuring timely recovery of dues
<b>Creditors</b>	Creditors payments days decreased from 180 days in FY 2020-2021 to 95 days for FY 2021-2022 due to reduction in credit period
<b>Inventory</b>	Inventory days decreased from 132 days in FY 2020-2021 to 74 days for FY 2021-2022.

### 3. General Corporate Purpose

We intend to deploy ₹1,225 Lakhs from gross proceeds of the Rights Issue towards general corporate purposes. The general corporate purposes for which our Company proposes to utilize issue proceeds include but not restricted to entering into brand building exercises and strengthening our marketing capabilities, general maintenance, partnerships, tie-ups or contingencies in ordinary course of business which may not be foreseen or any other purposes as approved by our Board of Directors. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. However, not more than 25% of the gross proceeds of the issue would be deployed for the General Corporate purposes.

#### 4. *Expenses for the issue*

The Issue related expenses consist of fees payable to the Advisors, 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 Equity Shares on the Stock Exchanges. Our Company will need approximately ₹ [●] lakhs towards these expenses, a break-up of the same is as follows:

(₹ in lakhs)			
Activity	Estimated Expense	% of Total Expenses	As a % of Issue size
Fees payable to the intermediaries (including Advisors fees, legal fees, selling commission, registrar fees and expenses)	[●]	[●]	[●]
Advertising, Printing, stationery and distribution Expenses	[●]	[●]	[●]
Statutory and other Miscellaneous Expenses	[●]	[●]	[●]
<b>Total</b>	<b>65.00</b>	[●]	[●]

#### **Appraisal**

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

#### **Schedule of Implementation and Deployment of Funds**

As estimated by our management, the entire proceeds received from the issue would be utilized during FY 2021-22.

#### **Deployment of Funds towards the Objects of the Issue**

We have incurred 26 Lakhs upto October 13, 2021 towards the Objects of the Issue which has been certified by Statutory Auditor RSPH & Associates, vide his certificate dated October 13, 2021. The said amount has been met by the Company from its own resources and the same will be adjusted against the issue proceeds.

#### **Bridge Financing Facilities**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Issue Proceeds.

#### **Monitoring of Utilization of Funds**

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

Pursuant to Clause 32 of the SEBI Listing Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Clause 32 of the SEBI Listing Regulation, the Company shall furnish to the Stock Exchanges, 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.

#### **Interim Use of Proceeds**

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

#### **Interest of Promoters, Promoter Group and Directors, as applicable to the objects of the Issue**

Our Promoters, Promoter Group and Directors do not have any interest in the Objects of the Issue.

## STATEMENT OF SPECIAL TAX BENEFITS

### STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS AS PER THE CERTIFICATE ISSUED BY STATUTORY AUDITORS OF THE COMPANY

The Board of Directors,  
**VIKAS LIFECARE LIMITED**  
(*"Formerly known as Vikas Multicorp Limited"*)  
G-1 34/1, East Punjabi Bagh,  
New Delhi-110026 India

Dear Sirs,

**Sub: Statement of possible special direct tax benefits available to Vikas Lifecare Limited ("the Company") and its shareholders ("the Statement").**

We hereby confirm that the enclosed statement states the possible special direct tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ("**Act**") as amended from time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfil.

This statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, 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 rights issue of equity shares of the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor are we advising the investor to invest money based on this statement.

The contents of the enclosed statement are based on the information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

1. The Company or its shareholders will continue to obtain these benefits in future; or
2. The conditions prescribed for availing the benefits, where applicable have been/would be met.

This statement is intended solely for information and for inclusion in the Draft Letter of Offer in relation to the Issue of equity shares of the Company and is not to be used, circulated or referred to for any other purpose without our prior written consent. Our views are based on the existing provisions of law referred to earlier and its interpretation, which are subject to change from time to time.

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

**For RSPH & Associates,**  
**Chartered Accountants**  
**Firm Registration No: 003013N**

**CA Tarun Kumar Batra**  
Partner  
Tel.: 011-41538933  
UDIN:21094318AAAACS5204

Date: - October 13, 2021  
Place: Delhi

**Statement of Special Tax Benefits available to the Company & its Shareholder under the Income Tax Act, 1961 and other Direct Tax Laws presently in force in India**

**Special Tax Benefits**

**I. Benefits available to the Company**

There are no special tax benefits available to the Company.

**II. Benefits available to the Shareholders**

There are no special tax benefits available to the shareholders for investing in the proposed right issue of shares of the Company.

**For RSPH & Associates,  
Chartered Accountants  
Firm Registration No: 003013N**

**CA Tarun Kumar Batra**  
Partner  
Tel.: 011-41538933  
UDIN:21094318AAAACS5204

Date: - October 13, 2021  
Place: Delhi

## SECTION IV: ABOUT OUR BUSINESS

### INDUSTRY OVERVIEW

*The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

*Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this Draft Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information" beginning on pages 24 and 94, 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' beginning on page 24 of this Draft Letter of Offer.*

#### **Global Outlook**

According to the World Bank, the global economy is on a path of robust recovery, with a projected growth of 5.6% in 2021—the strongest post-recession pace in 80 years. The real GDP of advanced economies is projected to expand by 5.4% whereas emerging markets and developing economies are expected to grow by 6.0%. However, the pace of recovery is diverging across countries, reflecting variations in pandemic-induced disruptions and the extent of policy support.

In the first half of 2021, the global recovery was primarily led by the US and China. The two largest economies are expected to grow by 6.8% and 8.5%, respectively, and are likely to contribute about one quarter each of global growth in 2021. Recovery in several emerging markets and developing economies is likely to be constrained by the resurgence of Covid-19 infections, uneven vaccinations, and limited fiscal space.

Inflation is emerging as a key risk to sustainable global economic recovery. Energy and industrial commodity prices have continued their upward surge. Average crude oil prices in Q2 increased by >13% q/q due to both higher demand and OPEC-induced supply constraints. The average price of aluminum and copper also increased by >14% in Q2/Q1. The IMF has warned that rising inflation, notably in the US, can pose significant risks of an earlier-than-expected tightening of monetary policy by the Federal Reserve, which could lead to significant capital outflows from emerging economies. Therefore, we would do well to make our policy environment as attractive as possible to foreign investors.

Compared to steady expansion in the first five months of 2021, the global Purchasing Managers' Index (PMI) recorded slower growth in June and July. However, it continues to remain in the expansion zone. In Asia, the manufacturing PMI witnessed deceleration in China. In India, manufacturing PMI rose to a three-month high of 55.3 in July, reflecting likely expansion of manufacturing activity in the coming months. India's services PMI improved to 45.4 but remained in the contraction zone.

#### **Markets**

With countries around the world ramping up their vaccination campaigns, especially in Europe and the US, the global equity market rose in the second quarter of 2021. The second quarter was strong for US equities. The S&P 500 had a strong start in this period. Almost all sectors made gains and reached a new all-time high in late June. Eurozone shares gained and the earnings for the first quarter of 2021 were generally very robust, except in the healthcare sector. UK equities performed well over the second quarter and small and mid-cap ("SMID") equities outperformed during this time period. Emerging market requisite registered a strong return.

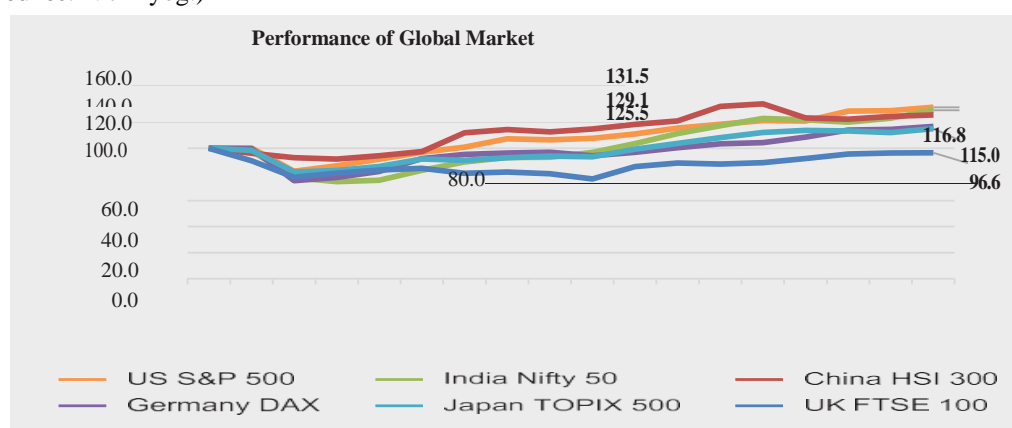
Subsequent to a fairly robust recovery in the March quarter, the Indian economy was impacted by a much stronger Covid second wave, leading to imposition of strict curbs across states and decline in economic activity. High-frequency indicators, such as PMI, cement and steel production, power demand, auto sales, etc., show that

recovery was negatively impacted in the June quarter. The RBI, in the monetary policy review in June, lowered its projection of real GDP growth for FY22 from 10.5% to 9.5%.

However, as per consensus estimates, despite downward revision in GDP growth projections, India is expected to be amongst the fastest-growing major economies in the world. A strong rebound is expected on the back of rapid vaccinations, a recovering monsoon boosting agricultural output, thrust on infrastructure investments by the Government, growth in exports, which have performed remarkably during April–June registering a growth of 18% over the same period in the pre-pandemic year of 2019-20. We also expect consumption to recover in the third and fourth quarters of the fiscal year.

US S&P 500	131.5	India Nifty 50	129.1
China HSI 300	125.5	Germany DAX	116.8
Japan TOPIX 500	115.0	UK FTSE 100	96.6

(Source: Niti Ayog.)



### Policy Support and Vaccines Expected to Lift Activity

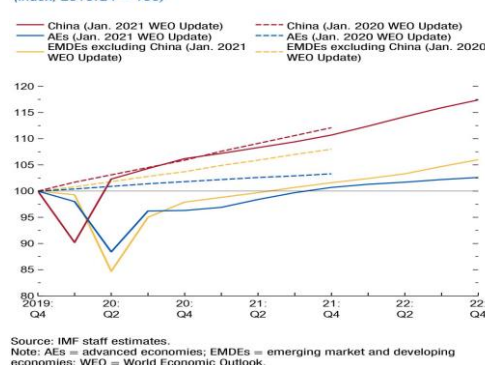
Although recent vaccine approvals have raised hopes of a turnaround in the pandemic later this year, renewed waves and new variants of the virus pose concerns for the outlook. Amid exceptional uncertainty, the global economy is projected to grow 5.5 percent in 2021 and 4.2 percent in 2022. The 2021 forecast is revised up 0.3 percentage point relative to the previous forecast, reflecting expectations of a vaccine-powered strengthening of activity later in the year and additional policy support in a few large economies.

The projected growth recovery this year follows a severe collapse in 2020 that has had acute adverse impacts on women, youth, the poor, the informally employed, and those who work in contact-intensive sectors. The global growth contraction for 2020 is estimated at -3.5 percent, 0.9 percentage point higher than projected in the previous forecast (reflecting stronger-than-expected momentum in the second half of 2020).

The strength of the recovery is projected to vary significantly across countries, depending on access to medical interventions, effectiveness of policy support, exposure to cross-country spillovers, and structural characteristics entering the crisis (Figure 1).

Policy actions should ensure effective support until the recovery is firmly underway, with an emphasis on advancing key imperatives of raising potential output, ensuring participatory growth that benefits all, and accelerating the transition to lower carbon dependence. As noted in the October 2020 World Economic Outlook (WEO), a green investment push coupled with initially moderate but steadily rising carbon prices would yield needed emissions reductions while supporting the recovery from the pandemic recession

**Figure 1. Divergent Recoveries: WEO Forecast for Advanced Economies and Emerging Market and Developing Economies**  
(Index, 2019:Q4 = 100)



Source: IMF staff estimates.  
Note: AEs = advanced economies; EMDEs = emerging market and developing economies; WEO = World Economic Outlook.

Strong multilateral cooperation is required to bring the pandemic under control everywhere. Such efforts include bolstering funding for the COVAX facility to accelerate access to vaccines for all countries, ensuring universal distribution of vaccines, and facilitating access to therapeutics at affordable prices for all. Many countries, particularly low-income developing economies, entered the crisis with high debt that is set to rise further during the pandemic. The global community will need to continue working closely to ensure adequate access to international liquidity for these countries. Where sovereign debt is unsustainable, eligible countries should work with creditors to restructure their debt under the Common Framework agreed by the G20.

(Source: *International Monetary Fund, Niti Ayog*)

### **Indian Outlook**

After the 2020 huge GDP contraction, economic growth is projected to bounce back in 2021, driven by pentup demand for consumer and investment goods, before declining in 2022. The dramatic infections upsurge since February has weakened the nascent recovery and may compound financial woes of corporates and banks. As public anxiety over the virus spreads and lockdowns multiply, high-frequency indicators suggest that a marked slowdown may have taken place in the April-June quarter, although the overall annual impact is likely to be muted. Wholesale and retail inflation rates remain elevated, but within the target range of the central bank.

The damage that COVID-19 continues to inflict on the poor makes it necessary to prioritise policies that reduce scarring effects, in particular for children that have been out of school for months, and increase investment and employment opportunities. The banking sector remains fragile, although the proposal to create an asset recovery company and the planned privatisation of two public banks testify to the authorities' commitment to reforms. The healthy foreign exchange reserves position should provide sufficient buffers to deal with any potential external shock-driven capital-stop or outflows in the period ahead.

India's new confirmed COVID-19 virus infections have risen very rapidly, from a daily minimum of 13,000 cases in late January to more than 400 000 in early May. Although about 20% of the population is estimated to have antibodies, a rapidly transmissible strain doing the rounds, laxity in the application of social distancing and chronic underinvestment in public health make the situation calamitous. Localised containment measures have been reinstated and are impacting mobility, but a new nation-wide lockdown is unlikely. The inoculation rollout is slow, with domestic take-up far below the pace needed to meet the goal of vaccinating 300 million people by August. The National COVID-19 Vaccination Programme that has come into effect in May 2021 could help close that gap, notably by increasing vaccine supply and opening access to anybody beyond the age of 18.

#### *India: Demand, output and prices*

	2017	2018	2019	2020	2021	2022
	Current prices INR trillion	Percentage changes, volume (2011/2012 prices)				
<b>India</b>						
<b>GDP at market prices</b>	170.9	6.5	4.0	-7.7	9.9	8.2
Private consumption	100.4	7.6	5.5	-10.5	9.3	7.0
Government consumption	18.4	6.3	7.9	-1.9	9.8	3.9
Gross fixed capital formation	48.2	9.9	5.4	-14.0	16.3	16.4
Final domestic demand	166.9	8.1	5.8	-10.7	11.2	9.3
Stockbuilding <sup>1,2</sup>	9.4	0.4	-0.7	-1.1	0.0	0.0
Total domestic demand	176.3	5.9	4.4	-9.8	12.2	9.6
Exports of goods and services	32.1	12.3	-3.3	-6.9	14.9	6.5
Imports of goods and services	37.5	8.6	-0.8	-16.5	25.7	13.0
Net exports <sup>1</sup>	- 5.4	0.4	-0.5	2.4	-2.4	-1.7
<b>Memorandum items</b>						
GDP deflator	—	3.7	3.6	3.6	3.9	5.2
Consumer price index	—	3.4	4.8	6.5	5.4	4.8
Wholesale price index <sup>3</sup>	—	4.3	1.7	0.6	4.0	3.7
General government financial balance <sup>4</sup> (% of GDP)	—	-5.5	-6.5	-10.0	-9.6	-7.0
Current account balance (% of GDP)	—	-2.1	-0.9	1.4	-0.4	-1.4

Note: Data refer to fiscal years starting in April.

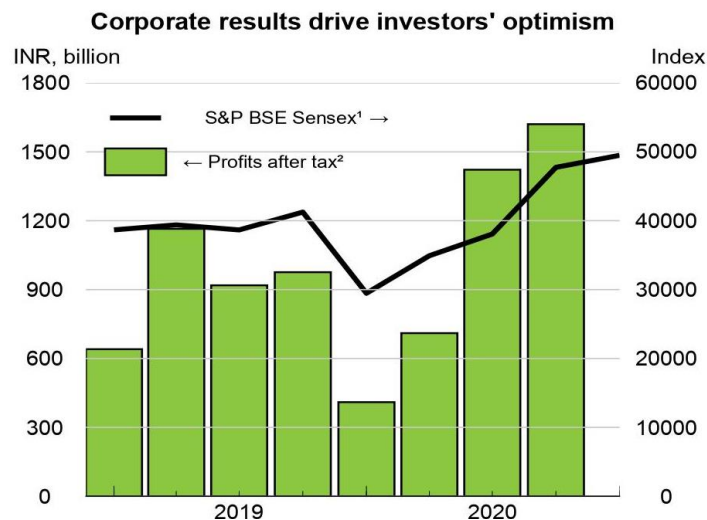
1. Contributions to changes in real GDP, actual amount in the first column.

2. Actual amount in first column includes statistical discrepancies and valuables.

3. WPI, all commodities index.

4. Gross fiscal balance for central and state governments.

Source: OECD Economic Outlook 109 database.



1. Data refer to the value at the end of each quarter. The latest data point refers to 17 May 2021.

2. Net of prior period and extra-ordinary transactions.

3. Estimate for the first quarter of 2021 based on monthly and weekly data.

Source: OECD Economic Outlook 109 database; Reserve Bank of India; Refinitiv; and Centre for Monitoring Indian Economy (CMIE).

Backed by strong foreign institutional investment ("**FII**") inflows and robust earnings in the March 2021 quarter, the Indian stock markets also traded at record high levels. Both the benchmark indices, Nifty 50 and S&P BSE Sensex, scaled new heights. After FII sold equities worth USD 1.3 billion in April 2021 and USD 0.4 billion in May 2021, they invested USD 2.4 billion in Indian equities in June 2021. On the debt side, FIIs pulled out funds from Indian debt instruments through June 2021 and made net sales worth USD 0.7 billion. This was the sixth consecutive month when they remained net sellers of the Indian debt.

### India expected to fare better than developed economies and recover to a high growth path in the coming years

India's real gross domestic product ("**GDP**") has sustained an average growth between 6% and 7% since FY 1991. India has been the fastest-growing G20 economy since FY 2015, with an annual growth rate hovering around 7%. India's economy grew at 7% in FY 2019. The real growth rate declined to 4% in FY 2020 and witnessed a degrowth of 7.3% in FY 2021 due to the outbreak of the COVID-19 pandemic, which led to the imposition of lockdowns towards the last quarter of FY 2020 and a major part of the first quarter of FY 2021 causing a contraction in the economy. The impact of COVID-19 has caused several large economies to shrink. It is being estimated that India's GDP is expected to resume its pre-COVID growth momentum by FY22.

India witnessed a lower-case load in the 3rd quarter along with economic recovery, which continued till the mid of the 4th quarter of FY2021. However, since early March 2021, there has been a continuous rise in the number of COVID -19 cases in India. Daily new cases had risen to more than 0.2 million at the start of April 2021, and it increased to more than 0.3 million towards the end of April 2021. At the start of FY 22, projections of the Indian government, the IMF, and other organizations projected India's GDP to resume its pre-COVID growth momentum in FY22. This was in the backdrop of India witnessing a lower-case load in the 3rd quarter of FY 21 and the economic recovery that ensued during that period and in the following quarter 4. India launched its vaccination drive on 16 January. The vaccination scope was also widened to include all adults from the earlier approach of vaccinating only above the age group of 45 years. With the revised vaccination policy currently underway, India plans to vaccinate its entire population by December 2021.

In May 2021, the Consumer Price Index (CPI) inflation rose to 6.3% and breached RBI's threshold of 4(+/-2)% for the first time in six months, whereas the Wholesale Price Index (WPI) inflation spiked to an 11-year high of 12.9%. CPI inflation declined to 5.6% and WPI came down to 11.2% in July. Current high inflation is largely due to supply-side factors rather than demand-side issues and hence can be expected to be transitory.

After phased unlocking post the second Covid wave, economic activity has gained strength. The Government has also stepped in to provide another dose of stimulus of ₹ 6.3 lakh crore, focused on healthcare, tourism, agriculture, infrastructure, MSMEs and exports. As growth momentum gathers pace, supported by the measures

undertaken by the government, the Indian economy will emerge stronger on a sustainable development path.

(Source: OECD Economic Outlook)

### **Plastics and Polymers**

#### **Introduction**

The Indian plastics industry made a promising beginning in 1957 with the production of polystyrene. Thereafter, significant progress has been made, and the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90% of which are small and medium-sized enterprises.

- In FY20, plastic and linoleum export from India stood at US\$ 7.55 billion.
- During April 2019 to January 2020, plastic export stood at US\$ 7.045 billion with the highest contribution from plastic raw material at US\$ 2.91 billion, plastic sheets, films, and plates at US\$ 1.22 billion and packaging materials at US\$ 722.47 million.
- India exported plastics worth US\$ 813 million in October 2020, and the export during April 2020 to October 2020 was US\$ 5.58 billion.
- The total plastic and linoleum export during April 2020 to November 2020 was US\$ 4.90 billion and for the month of November 2020, it was US\$ 507.06 million.
- The Indian plastics industry produces and export a wide range of raw materials, plastic-moulded extruded goods, polyester films, moulded/ soft luggage items, writing instruments, plastic woven sacks and bags, polyvinyl chloride (PVC), leather cloth and sheeting, packaging, consumer goods, sanitary fittings, electrical accessories, laboratory/ medical surgical ware, tarpaulins, laminates, fishnets, travel ware, and others.
- The Indian plastics industry offer excellent potential in terms of capacity, infrastructure, and skilled manpower. It is supported by many polymer producers, plastic process machinery and mould manufacturers in the country.
- Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on import. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene, and PVC, are manufactured domestically.

#### **Recent Developments**

The Department of Chemicals and Petrochemicals has approved 10 Plastic Parks in the country, out of which 6 parks have been given final approval in the below states:

- Assam (1 nos.)
- Madhya Pradesh (2 nos.)
- Odisha (1 nos.)
- Tamil Nadu (1 nos.)
- Jharkhand (1 nos.)

The Detailed Project Reports are under evaluation for two Plastic Park in Uttarakhand and Chhattisgarh respectively and proposal for setting up of two new Plastic Parks are under process.

These Plastic Parks will help to achieve environmentally sustainable growth and increase employment.

#### **Plastics Export Promotion Council**

The Plastics Export Promotion Council (PLEXCONCIL) is the apex Government body responsible for the promotion of plastic export. PLEXCONCIL members comprise large-/medium-/small-scale manufacturers and exporters. The council supports exporters by participating in international trade fairs, exploring new markets, organising buyer- seller meets both in India and overseas, and engaging in various other promotion and need-based activities.

**In FY20 (till January 2020), plastic exports stood at US\$ 7.045 billion with the highest contribution from plastic raw materials at US\$ 2.91 billion; plastic sheets, films, and plates at US\$ 1.22 billion; and**

packaging materials at US\$ 722.47 million.

### Recycling of Plastic

#### Plastic Waste: A Global Concern

Plastic products have become an integral part of our daily life as a result of which the polymer is produced at a massive scale worldwide. On an average, production of plastic globally crosses 150 Million tonnes per year. Its broad range of application is in packaging films, wrapping materials, shopping and garbage bags, fluid containers, clothing, toys, household and industrial products, and building materials.

It is estimated that approximately 70% of plastic packaging products are converted into plastic waste in a short span. Approximately 9.4 million TPA plastic waste is generated in the country, which amounts to 26,000 TPD<sup>2</sup>. Of this, about 60% is recycled, most of it by the informal sector. While the recycling rate in India is considerably higher than the global average of 20%, there is still over 9,400 tonnes of plastic waste which is either landfilled or ends up polluting streams or groundwater resources. While some kinds of plastic do not decompose at all, others could take up to 450 years to break down. The figure captures per capita plastic consumption in FY 2014-15.



Plastic waste is India's and the world's most formidable environmental challenge today, and the COVID-19 pandemic has made matters worse: CSE

Centre for Science and Environment's (CSE) new background paper on plastic waste and its management forms the backdrop of discussions at a webinar attended by key bureaucrats and experts:

- 79 per cent of the plastic made in the world enters our land, water and environment as waste; some of it also enters our bodies through the food chain, says the CSE analysis
- India has not yet acted on the Prime Minister's call for 'freedom' from single-use plastics. The government's 2022 deadline for such a ban has now been rescinded
- CSE offers an "actionable" agenda to confront and surmount the challenge – calls for better understanding of the characteristics of the product and the politics of recycling, segregation at source, and a ban on plastics that cannot be recycled, among other things

Consider the available statistics: A global material balance study on plastics points out that **79 per cent** of the total plastics produced in the world enters our environment as waste. Only **9 per cent** of the total plastic waste in the world is recycled. A Central Pollution Control Board (CPCB) report (2018-19) puts the total annual plastic waste generation in India at a humungous **3.3 million metric tonnes per year**. Even this data, frightening as it is, might be an underestimation. While India's plastic waste problem is not as huge as that of the rich world, it is definitely growing. Richer states like Goa and Delhi produce as much as **60 grams and 37 grams per capita per day** respectively – against a national average of **8 grams per capita per day**.

(Source: <https://www.cseindia.org>, Plastic Waste Management Issues, Solutions & Case Studies- March 2019)

In accordance with the Plastic Waste Management Rules, 2018 (PWM Rules, 2018) based on information submitted by 35 State Pollution Control Board or Pollution Control Committee (SPCBs/PCCs), a consolidated annual report for the year 2018-19 has been prepared, including State-wise observations of the current status of

implementation of Plastic Waste Management Rules in each State/UT.

### 3.1. Estimated plastic waste generation during the year 2018-19 is 33,60,043

Tons/Annum:

Fig. 1. shows the State and UT-wise plastic waste generation (Tons/Annum) across the country.

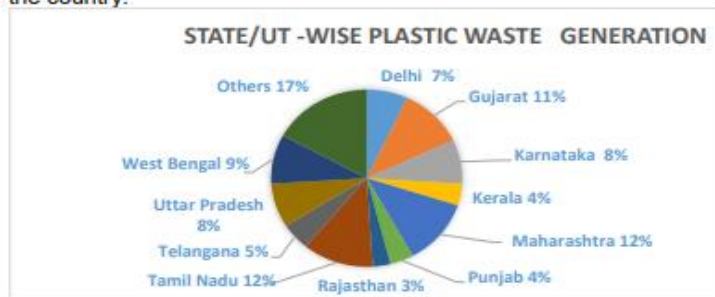


Fig. 1: State/UT wise Plastic waste generation

### Recycling

According to the CPCB's 2015 report, recycling of plastics can be done as follows:

- **Primary recycling** (conversion of waste plastics into products having a performance level comparable to that of original products made from virgin plastics)
- **Secondary recycling** (conversion of waste plastics into products having less demanding performance requirements than the original material)
- **Tertiary recycling** (process for producing chemicals/fuels/similar products from waste plastics)
- **Quaternary recycling** (process for recovering energy from waste plastics by incineration)

In most cities where plastic is segregated, it is primarily secondary recycling that is done to the waste it is sorted, cleaned, melted and then made into pellets for further use in products. These products, in most cases, have less demanding performance requirements than the original material.

### Types of plastic waste and what can be recycled

Thermoplastic is a generic category and within this, different types of plastic materials are manufactured for different uses. It is important to understand which of the plastic material, used for what, can be recycled. It is also important to understand what does this recycling entail and what is the recycled product used for. Unfortunately, there is little information available on these aspects — most of the recycling happens in the informal and small-scale industrial segment, which works 'invisibly'.

What is generally understood is that polystyrene (PP and PS) and low-density polystyrene (LDPE) are only partially recyclable; most of the times, they are not recycled due to their economic unviability. The 2015 CPCB study had noted that 94 per cent of the total plastic waste was thermoplastics, which — it said — would be recyclable; only 6 per cent was thermoset plastic which could not be recycled. However, what is not clear is if this study, which was based on the waste characteristics derived from landfill sites, can be the best way to establish the recyclability of plastic waste in the country.

### Categories of plastic and their recycling potential

Name of plastic	Code	Recyclable or not	Few applications	Type of recycling
Polyethylene Terephthalate (PET)	1	YES	Water bottles, soft drink bottles, food jars, films, sheets, furniture, carpets, paneling	Converted back to polymer and used for making apparel
High-density Polyethylene	2	YES	Milk pouches, bottles, carry bags, recycling bins, base cups	Converted to pellets and used to produce new HDPE

Name of plastic	Code	Recyclable or not	Few applications	Type of recycling
(HDPE)				
Polyvinyl Chloride (PVC)	3	YES	Pipes, hoses, sheets, wire cable insulations, multilayer tubes, window profile, fencing, lawn chairs	Pyrolysis, hydrolysis and heating are used to convert PVC waste into calcium chloride, hydrocarbon products and heavy metals. These are used to produce new PVC or as feed for other manufacturing processes or as fuel for energy recovery
Low-density Polyethylene (LDPE)	4	YES	Plastic bags, various containers, dispensing bottles, wash bottles	Converted to pellets and used to produce new LDPE
Polypropylene (PP)	5	YES	Disposable cups, bottle caps, straws, auto parts, industrial fibres	Converted to pellets and used to produce new PP
Polystyrene (PS)	6	NO	Disposable cups, glasses, plates, spoons, trays, CD covers, cassette boxes, foams	Not recyclable
Others (O)	7	NO	Thermoset plastics, multilayer and laminates, nylon SMC, FRP, CD, melamine plates, helmets, shoe soles	Not recyclable — however, multilayer packaging could be crushed and turned into sheets and boards for roofing, using adhesives

**The details of State-wise utilization of plastic waste is given below:**

- Eight (8) States/UTs namely; Arunachal Pradesh, Bihar, Daman Diu & Dadra Nagar Haveli, Jammu & Kashmir, Kerala, Maharashtra, Manipur & Sikkim have not submitted the details in this matter.
- 14 States/UTs namely: Andhra Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Himachal Pradesh, Jharkhand, Karnataka, Madhya Pradesh, Odisha, Puducherry, Tamil Nadu, Telangana & Uttar Pradesh are sending plastic waste to cement plants for co-processing.
- 15 States/UTs namely: Andaman & Nicobar Islands, Andhra Pradesh, Assam, Haryana, Himachal Pradesh, Jharkhand, Madhya Pradesh, Meghalaya, Mizoram, Nagaland, Puducherry, Tamil Nadu, Telangana, Uttar Pradesh & West Bengal are using plastic waste for polymer bitumen road construction.
- 16 States/UTs namely: Andaman & Nicobar Islands, Andhra Pradesh, Chhattisgarh, Goa, Jharkhand, Karnataka, Lakshadweep, Madhya Pradesh, Nagaland, Punjab, Tamil Nadu, Telangana, Uttarakhand and Uttar Pradesh are recycling the plastic waste.
- 2 States/UTs namely: Himachal Pradesh & Delhi are sending the plastic waste to Waste to Energy plants.
- Uttar Pradesh is utilizing the plastic waste in waste to oil plant. Further, Chandigarh, Goa and Madhya Pradesh are using the plastic waste as RDF.

**No. of registered Manufacturing/Recycling Units:**

As per the provision '13(1)' of PWM Rules, 2018, all the plastic manufacturing/recycling units shall be registered with the concerned SPCBs/PCCs. There are 4773 (4294 –Plastic Mfg., 7-Compostable Mfg., 287-MLP Mfg. & 185- Recycling) Registered units in 30 States/UTs and there are no plastic manufacturing units in Andaman and Nicobar Islands, Arunachal Pradesh, Bihar, Lakshadweep & Sikkim.

**No. of unregistered plastic manufacturing/recycling units:**

There are 1080 unregistered plastic manufacturing/recycling units running in 12 States/UTs, namely; Assam, Bihar, Jammu & Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Puducherry, Punjab, Tamil Nadu & Uttar Pradesh. Further, Chhattisgarh, Daman Diu and Dadra Nagar Haveli, Delhi PCC, Himachal Pradesh, Uttarakhand & West Bengal have not provided the details in this matter.

(Source: Central Pollution Control Board, Annual Report (2018-19) on Implementation of Plastic Waste Management Rules, 2016, Report on Managing Plastic Waste in India Challenges and Agenda, 2020)

### **Fast moving consumer goods ("FMCG")**

FMCG is the fourth largest sector in the Indian economy. There are three main segments in the sector food and beverages, which accounts for 19% of the sector; healthcare, which accounts for 31% of the share; and household and personal care, which accounts for the remaining 50% share.

According to Nielsen, the Indian FMCG industry grew 9.4% in the January-March quarter of 2021, supported by consumption-led growth and value expansion from higher product prices, particularly for staples. The rural market registered an increase of 14.6% in the same quarter and metro markets recorded positive growth after two quarters. E-commerce is likely to contribute 5% or US\$ 4 billion to FMCG sales by 2022.

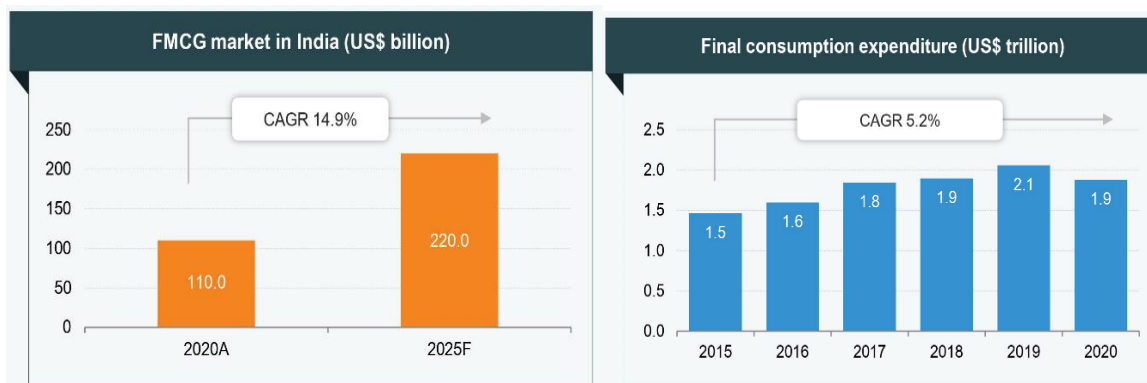
The rural FMCG market is expected to expand to US\$ 220 billion by 2025. The Indian processed food market is projected to expand to US\$ 470 billion by 2025, up from US\$ 263 billion in 2019-20.

Indian online grocery market is estimated to exceed sales of about ₹ 22,500 crore (US\$ 3.19 billion) in 2020, a significant jump of 76% over the previous year. The gross merchandise value (GMV) of the online grocery segment in India is expected to increase 18 times over the next five years to reach US\$ 37 billion by FY25. As of February 2021, out of 39 Mega Food Park projects, 22 are operational, 15 are under implementation and 2 are in-principle approval. Many FMCG brands partner with e-commerce platforms to deliver products at the doorstep of consumers during the COVID-19 pandemic.

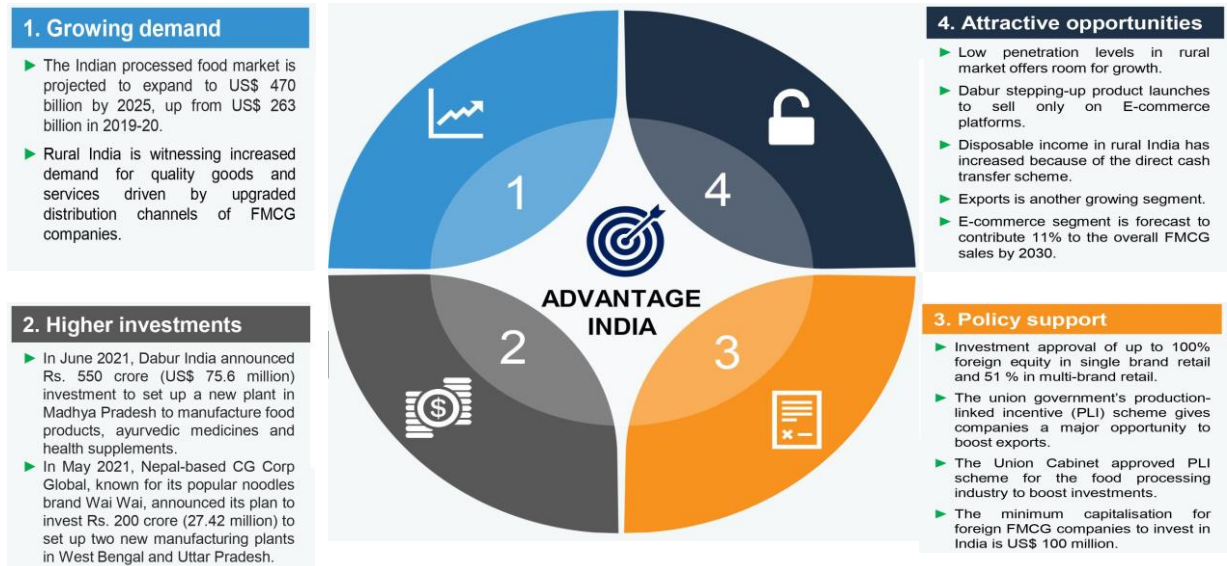
FMCG companies are looking to invest in energy efficient plants to benefit the society and lower cost in the long term. The sector witnessed healthy FDI of US\$ 18.19 billion from April 2000 to March 2021.

Growing awareness, easier access, and changing lifestyle are the key growth drivers for the consumer market. The focus on agriculture, MSMEs, education, healthcare, infrastructure and tax rebate under Union Budget 2019-20 was expected to directly impact the FMCG sector. Initiatives undertaken to increase the disposable income in the hands of common man, especially from rural areas, will be beneficial for the sector.

Favourable demographics and rise in income level will boost the FMCG market. By 2025, India is likely to be the fifth-largest FMCG market. FMCG market in India is expected to increase at a CAGR of 14.9% to reach us\$ 220 billion by 2025, from us\$ 110 billion in 2020. The urban segment contributes to about 55% of the revenue share, while the rural segment accounts for 45%. Rise in rural consumption will drive the FMCG market. Final consumption expenditure increase data CAGR of 5.2% during 2015-20. According to fitch solutions, real household spending is projected to increase 9.1% YoY in 2021, after contracting >9.3% in 2020 due to economic impact of the pandemic.



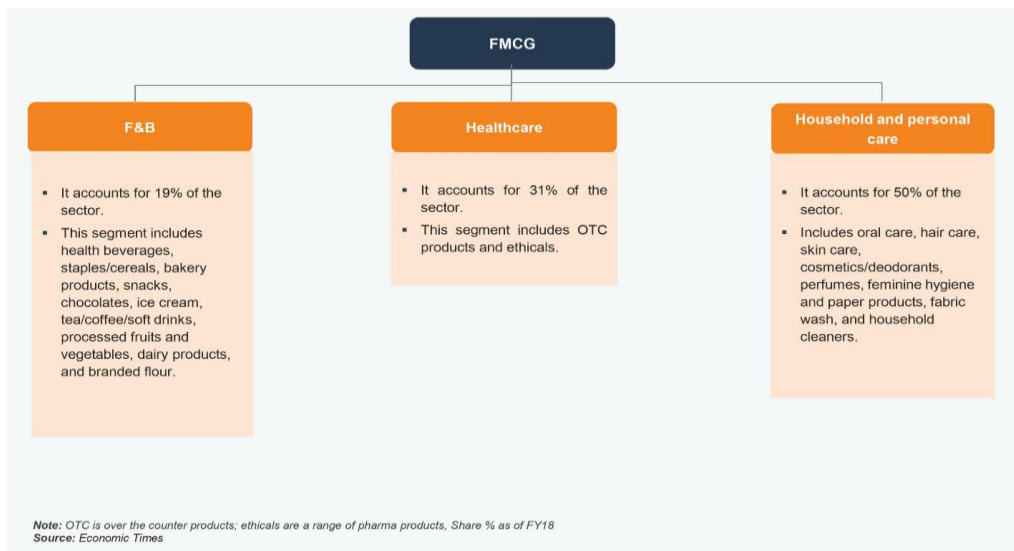
## Advantages to India



(Source: IBEF)

FMCG market reached US\$ 110 billion in 2020. FMCG sales at India's organised retail stores rose 22 % y-o-y in 2018. The market is expected reach US\$ 220 billion by 2025. The online FMCG market is forecast to reach US\$ 45 billion by the end of 2020. Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector. The number of internet users in India is likely to reach 1 billion by 2025. Real household spending is projected to increase 9.1% YoY in 2021.

## Three main segments of FMCG



## Strong growth in Indian FMCG sector

- The FMCG sector's revenue reached US\$110 billion in 2020.
- The FMCG sector grew 9.4% in the January-March quarter of 2021 due to increasing prices of products, especially staples. It grew by 7.3% in the previous quarter (October-December 2020).
- FMCG sector will gain support for growth from Inland Waterways Authority of India (IWAI) multi-modal transportation project of freight village at Varanasi, which will bring together retailers, warehouse operators and logistics service providers, and investment worth ₹1.7billion (US\$25.35million).

(Source: India Brand Equity Foundation)

#### **Urban market accounts for major chunk of revenues**

- Accounting for a revenue share of around 55%, urban segment is the largest contributor to the overall revenue generated by the FMCG sector in India.
- Rural segment is growing at a rapid pace and accounted for a revenue share of 45% in the overall revenues recorded by FMCG sector in India. FMCG products account for 50% of total rural spending.
- In the last few years, the FMCG market has grown at a faster pace in rural India compared to urban India.
- Demand for quality goods and services is on an upward trajectory in rural areas on the back of improved distribution channel of manufacturing and FMCG companies.
- According to Nielsen, the rural market registered an increase of 14.6% in the same quarter and metro-markets recorded positive growth after two quarters.

#### **Increasing online users boost online FMCG sales**

- India's increasing internet penetration and rising digital maturity along with developing infrastructure has helped boost online transactions.
- The online FMCG market is estimated to reach US\$ 45billion in 2020 from US\$ 20billion in 2017, backed by growth in online users from 90 million in 2017 to 200 million in 2020E.
- Around 72% Indian consumers are most likely to shop online locally for premium products.
- The Indian online grocery market is estimated to exceed sales of about ₹ 22,500 Crore (US\$ 3.19 billion) in 2020, a significant jump of 76% over the previous year.
- Many FMCG brands partner with e-commerce platforms to deliver products at the doorstep of consumers during the COVID-19 pandemic.
- As of June 2021, e-commerce share has already touched 7-8% for some of the largest FMCG companies in the country, according to Accenture India.
- The gross merchandise value (GMV) of the online grocery segment in India is expected to increase 18 times over the next five years to reach US\$ 37 billion by FY25.

#### **Policy and regulatory framework**

- On November 11, 2020, Union Cabinet approved the production-linked incentive (PLI) scheme in 10 key sectors (including electronics and white goods) to boost India's manufacturing capabilities, exports and promote the 'Atmanirbhar Bharat' initiative.
- Developments in the packaged food sector will contribute to increased prices for farmer and reduce the high levels of waste. In order to provide support through the PLI scheme, unique product lines, with high-growth potential and capabilities to generate medium to large-scale jobs, have been established.
- Industrial license is not required for almost all food and agro-processing industries, barring certain items such as beer, potable alcohol and wines, cane sugar and hydrogenated animal fats and oils as well as items reserved for exclusive manufacture in the small-scale sector.
- The Government approved 51% FDI in multi-brand retail in 2006, which will boost the nascent organised retail market in the country.
- It also allowed 100% FDI in the cash and carry segment and in single-brand retail.

(Source: IBEF)

#### Cashew Industry

##### **Introduction**

Cashew (*Anacardium occidentale L.*), a tree native of Eastern Brazil, was introduced in India by the Portuguese nearly five centuries ago. In India, cashew was first introduced in Goa, from where it spread to other parts of the country. Initially, it found use in soil binding to check erosion. Commercial cultivation began in the early 1960s and, over the years, cashew became a crop with high economic value and attained the status of an export-oriented commodity, earning considerable foreign exchange for the country.

### Key Markets and Export Destinations

- Export earnings from cashew nut in FY20 stood at US\$ 566.76 million.
- The total cashew export was US\$ 566.82 million between April 2019 and March 2020.
- The total cashew export from April 2020 to March 2021 was US\$ 420.17 million and for the month of March 2021, it was US\$ 40.44 million.
- In April 2021, export of cashew stood at US\$ 49.71 million.
- India exports cashew kernels to over 60 countries. Its major markets are the US, the Netherlands, Japan, Spain, France, Germany, the UK as well as the Middle East countries such as UAE and Saudi Arabia.

### Cashew Export Promotion Council of India

The Cashew Export Promotion Council of India (CEPCI) works to promote the export of cashew kernels and CNSL. The council serves as an intermediary between importers of cashew kernels and exporters who are members of the council. It also deals with disputes on export/import arising due to quality standards and breach of contractual obligations, among others. It undertakes numerous activities, such as organising global buyer seller meets as well as studies on nutritional aspects of cashew and providing support to processors and cashew exporters in India for improving infrastructure.

(Source: IBEF, Press Information Bureau, Directorate General of Commercial Intelligence and Statistics)

### Agriculture and Allied Industries

In India, agriculture is the primary source of livelihood for 54.6% of the population. The agriculture, forestry and fishing gross value added (GVA) growth is likely to be 3% in the second quarter of FY21. Agriculture and allied activities recorded a growth rate of 3.4% at constant prices in FY21. Share of agriculture and allied sectors in gross value added (GVA) of India at current prices stood at 17.8% in FY20.

Gross Value Added by agriculture, forestry and fishing was estimated at ₹19.48 trillion (US\$ 276.37 billion) in FY20. As per the Union Budget 2021-22, ₹1.33 lakh crore (US\$ 18.41 billion) was allocated to the Ministry of Agriculture. Between April 2020 and January 2021, principal agricultural commodities export stood at US\$ 32.12 billion.



### Advantages to India

- Large population and rising urban and rural income have added to growth in demand for agriculture products.
- Demand for processed food is rising with increase in disposable income, urbanisation, young population and nuclear families.

- Changing lifestyle and increasing expenditure on health and nutritional foods have also added to growth.
- India benefits from a large agriculture sector, abundant livestock and cost competitiveness.
- Lured by the size and returns of the Indian market, foreign firms have strengthened their presence in India.
- High proportion of agricultural land (157 million hectares) and diverse agro-climatic conditions encourage cultivation of different crops.
- Increase in demand for agricultural inputs such as hybrid seeds and fertilizers.
- India can be among the top five exporters of agro-commodities by shifting its focus on cultivation and effectively handholding farmers: World Trade Centre
- Investment opportunities to arise in agriculture, food infrastructure and contract farming.

### Policy Support

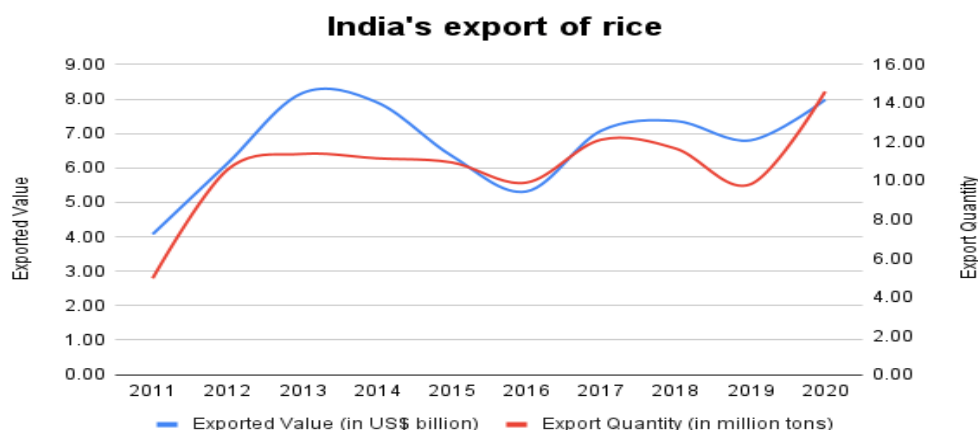
- The Indian Government announced a PLI scheme for the food processing sector with an incentive outlay of ₹ 10,900 Crore (US\$ 1,484 million) over a period of six years from FY22.
- Government of India is also aiming to double farmers' income by 2022.
- Pradhan Mantri Fasal Bima Yojana aims to support sustainable production in agriculture by providing financial support to farmers who have incurred crop losses/ damages.

(Source: Ministry of Agriculture, Print Release, RBI, MOSPI, Central Statistics Office (CSO), Union Budget 2021-22, IBEF)

### Trading in Rice

India, one of the largest rice producers, has experienced an exponential surge in the exports of its non-Basmati rice to newer regions like Southeast Asia, despite the challenges posed by the pandemic. Retaining its hold over these new markets is dependent on prices in competitor markets and how well India manages the second wave. Rice is among the agricultural products in which India is the top exporter in the world, with Thailand securing the second rank. It is interesting to note that the year of pandemic, 2020, has brought new highs for rice exports from India. The value of rice exports for India increased by 17.34% during 2020, in comparison to 2019. In terms of quantity, the exports of rice reached their highest level in the past ten years.

During the period January-March 2021, the total exports of rice amounted to US\$ 2.78 billion, growing by 41.52% yoy. However, it needs to be noticed that exports of non-basmati rice expanded in 2020 reaching US\$ 3.64 billion, growing by 64% in comparison to 2019. Exports of Basmati rice, on the other hand, declined to US\$ 4.34 billion in 2020, contracting by 6.2%. Similarly, during Jan-Mar 2021, exports of non-basmati experienced an increase by 199.4% year-over-year (YoY) while basmati rice witnessed decline of 23.21% yoy.



### Outlook

- The value of rice exports for India increased by 17.34% during 2020 in comparison to 2019. In terms of quantity, the exports of rice reached their highest level in the past ten years.
- One such market is the South East Asian region, where India exported US\$ 299.45 billion worth of rice in 2020, increasing by 121% over 2019.

- Competitive prices of India contributed to the surge in exports, which were complemented by depreciation of rupee and surplus in production.
- Demand in the future depends on the trend in prices, supply from the competitors and how India manages its pandemic situation going forward.

### **Rice Exports**

There are certain markets in which India's rice exports rose exponentially last year. One such market is the Southeast Asian region, where India exported US\$ 299.45 billion worth of rice in 2020, increasing by 121% over 2019. In terms of quantity, the export of rice increased by 216%, reaching 631 thousand tons in 2020. The table below shows some of the countries in the region where exports increased in 2020 in comparison to average exports to these countries during 2015-19.

Country	2015-19	2020	Growth (%)
Malaysia	52492.25	389,012	641.08
Myanmar	31	321	935.48
Singapore	88200.25	119,333	35.30
Thailand	1259.5	7,101	463.80
Timor-Leste	0	27,781	–
Viet Nam	958.75	46,700	4770.93

(Source: IBEF, TPCI)

### **Infrastructure Products**

#### **Introduction**

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development.

#### **Market Size**

According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDIs in the construction development sector (townships, housing, built up infrastructure and construction development projects) and construction (infrastructure) activities stood at US\$ 26.08 billion and US\$ 24.72 billion, respectively, between April 2000 and March 2021. In FY21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion.

#### **Government Initiative and investment**

In Union Budget 2021, the government has given a massive push to the infrastructure sector by allocating ₹ 233,083 Crore (US\$ 32.02 billion) to enhance the transport infrastructure. The government expanded the 'National Infrastructure Pipeline (NIP)' to 7,400 projects. 217 projects worth ₹ 1.10 lakh crore (US\$ 15.09 billion) were completed as of 2020. Through the NIP, the government invested US\$ 1.4 trillion in infrastructure development as of July 2021. The key highlights of the Budget 2021 are as follows:

- The Ministry of Commerce's Logistics Division presented its plans for 'Freight Smart Cities' in July 2021, with goal of improving the efficiency of urban freight and lowering logistics expenses. Over the next 10 years, demand for urban freight is predicted to increase by 140%. Final-mile freight transit in Indian cities accounts for 50% of the total logistics expenditures in the country's increasing e-commerce supply chains. According to ICRA ratings, the domestic road logistics sector is predicted to grow by 6-9% in FY22.
- The XV Finance Commission recommended ₹ 8,000 crore (US\$ 1,077 million) performance-based challenge money to states for new city incubation in July 2021. Each proposed new city has a budget of ₹ 1,000 crore (US\$ 134 million) and each state can only have one new city under the proposed concept.
- In July 2021, NTPC announced to invest ₹ 2-2.5 crore (US\$ 0.27-0.34 million) over the next 10 years

- to expand renewable capacity and invited bids for an engineering, procurement, and construction (EPC) package, with land development for 500 MW of grid-connected solar projects anywhere in India.
- In July 2021, the Ministry of Petroleum and Natural Gas, the government-owned GAIL lined up ₹ 5,000 Crore (US\$ 671.14 million) for setting up two plants each for producing ethanol and compressed biogas (CBG) from municipal waste.
- In June 2021, Mr. Rajnath Singh, the Minister of Defence e-inaugurated 20 kms long double lane Kimin-Potin road, together with nine other roads in Arunachal Pradesh and one each in the Union Territories of Ladakh and Jammu & Kashmir, built by Border Roads Organisation (BRO).
- In June 2021, Mr. Prakash Javadekar, the ex-Minister of Heavy Industries and Public Enterprises, inaugurated NATRAX, the 1000-acre high-speed track (HST) in Indore. This is Asia's longest track and can be used for a variety of high-speed performance testing on a wide range of vehicles.
- In June 2021, the NTPC floated a global Expression of Interest (EOI) to set up two pilot projects for standalone fuel cell-based backup power system and a standalone fuel cell-based microgrid system with hydrogen production using electrolyser at NTPC premises. Through the projects, NTPC is looking to further strengthen its footprint in green and clean fuel. The NTPC will collaborate for implementation and further commercialisation of the projects.
- In May 2021, Minister for Road Transport & Highways and Micro, Small and Medium Enterprises, Mr. Nitin Gadkari stated that the government is giving utmost priority to infrastructure development and has set a target of road construction of worth ₹15 lakh crore (US\$ 206 billion) in the next two years.
- The Ministry of Railways plans to monetise assets including Eastern and Western Dedicated Freight Corridors after commissioning, induction of 150 modern rakes through PPP, station redevelopment through PPP, railway land parcels, multifunctional complexes (MFC), railway colonies, hill railways and stadiums.
- In March 2021, the government announced a long-term US\$ 82 billion plan to invest in the country's seaports. ~574 projects have been identified, under the Sagarmala project, for implementation through 2035.
- In April 2021, the Ministry of Power (MoP) released the draft National Electricity Policy (NEP) 2021. The MoP created an expert committee including members from state governments, the Ministry of New and Renewable Energy (MNRE), NITI Aayog and the Central Electricity Authority (CEA).
- In March 2021, the Parliament passed a bill to set up the National Bank for Financing Infrastructure and Development (NaBFID) to fund infrastructure projects in India.
- Indian railways received ₹ 1,10,055 crore (US\$ 15.09 billion), of which ₹ 1,07,100 crore (US\$ 14.69 billion) is for capital expenditure.
- ₹ 1,18,101 crore (US\$ 16.20 billion) has been allocated towards road transport and highway sector.
- The government announced ₹ 18,998 crore (US\$ 2.61 billion) for metro projects.
- Mega Investment Textiles Parks (MITRA) scheme was launched to establish world-class infrastructure in the textile sector and establish seven textile parks over three years.
- The government announced ₹ 305,984 crore (US\$ 42 billion) over the next five years for a revamped, reforms-based and result-linked new power distribution sector scheme.

## **Jal Shakti**

The Ministry of Jal Shakti is responsible for the development, maintenance, and efficient use of water resources in the country and coordination of drinking water and sanitation programs in rural areas. The Ministry was created in 2019 by integrating the Ministries of: (i) Water Resources, River Development, and Ganga Rejuvenation, and (ii) Drinking Water and Sanitation.

### **Allocations in Union Budget 2021-22**

In 2021-22, the Ministry of Jal Shakti received an allocation of ₹ 69,053 crore which is a 64% annual increase over the actual expenditure in 2019-20. The focus of the increased expenditure is on drinking water, which is in line with the government's agenda to provide functional tap water connections to all households by 2024. Further, the Economic Survey (2020-21) noted that a strong emphasis on sanitation and drinking water is required to prevent communicable diseases.

### **Budgetary allocation to the Ministry of Jal Shakti**

(in Rs crore)				
Department	Actuals (19-20)	Revised (20-21)	Budgeted (21-22)	Annualised Change (Actuals 19-20 to BE 21-22)
Drinking Water and Sanitation	18,264	17,024	60,030	81%
Water Resources	7,419	7,262	9,023	10%
<b>Total</b>	<b>25,683</b>	<b>24,286</b>	<b>69,053</b>	<b>64%</b>

**Policy proposals in Union Budget 2021-22**

- The Jal Jeevan Mission (Urban) will be launched to enable universal water supply and liquid waste management in urban areas.
- The Urban Swachh Bharat Mission 2.0 will be implemented. It will focus on sludge and waste water management.

(Source: IBEF, PRS India)

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For the purpose of discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" beginning on page 24 of this Draft Letter of Offer, and for the purpose of discussion of the risks and uncertainties related to those statements, as well as for the discussion of certain factors that may affect our business, financial condition or results of operations, you should read "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 94 and 161, respectively of this Draft Letter of Offer. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

Our Company was incorporated on November 9, 1995 with the name of Akshatha Management Consultants Private Limited in accordance with the provision of Companies Act, 1956. Subsequently the name of our Company was changed to Akshatha Service Private Limited, pursuant to which the Registrar of Companies National Capital Territory of Delhi and Haryana issued a fresh certificate of incorporation on May 29, 2001. Thereafter, the name of our Company was further changed to Moonlite Technochem Private Limited, and accordingly, the Registrar of Companies National Capital Territory of Delhi and Haryana issued a fresh certificate of incorporation on December 29, 2008. Our Company was subsequently converted from private limited company into public limited company and upon such conversion, the name of our Company was changed to Moonlite Technochem Limited and accordingly, on November 1, 2016, a fresh certificate of incorporation was issued by Registrar of Companies, Delhi. The name of our Company was changed again to Vikas Multicorp Limited and a fresh certificate of incorporation dated January 24, 2017 was issued under the seal of Registrar of Companies, Delhi. Thereafter, the name of our Company was once again changed to Vikas Lifecare Limited, and a fresh certificate of incorporation dated April 9, 2021 was issued under the seal of Registrar of Companies, Delhi.

Pursuant to the order of the National Company Law Tribunal, Principal Bench, New Delhi dated October 31, 2018 approving the Scheme of Arrangement, the 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' was demerged from Vikas Ecotech Limited and acquired by our Company. Upon the completion of said demerger, the equity shares of the Company were listed on the NSE and the BSE on May 8, 2019.

At present our Company is principally engaged in the business of Recycling Plastic Waste (**Recycling Materials**) and trading of Polymer Compounds. Until 2019, the business of our Company was engaged in the trading of various Polymer Compounds such as Ethylene-vinyl acetate (**EVA Compounds**), Polyvinyl chloride resins (**PVC resins**), chlorinated Paraffin, Polyethylene Compound (**PE Compounds**) and Thermoplastic Rubber Compounds (**TPR Compounds**). However, subsequent to the acquisition of 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' under the scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi, our Company also started manufacturing Polymer Compounds such as PE Compound, Polyvinyl Chloride Compound (**PVC Compounds**), V blend SOE Compound, Polypropylene Compounds (**PP granules**), TPR Compounds from FY 2019-20 onwards.

During 2020-2021, our Company initiated trading in raw and finished cashew nuts and trading of rice to pursue one of its business strategy to venture and expand into FMCG industry.

In the year 2021, our Company has ventured in other infra products business and has started trading of food grade piping systems for drinking water for drinking water under the Jal Jeevan Mission initiated by Department of Drinking Water & Sanitation, Ministry of Jal Shakti, Government of India and also initiated trading of steel pipes, steel pipes fittings and bars.

Our Company is also certified under ISO 9001:2015, for trading and manufacturing of PVC Compounds, EVA, PP, PE, BASE Polymers, additives and chemicals (meant for plastic processing) by Dynamic Growth Agency. Our manufacturing facility is located at G-83, Vigyan Nagar, RIICO Industrial Area, Shahjahanpur, Alwar, Rajasthan.

Over the years, we have established ourselves as a successful trader of polymer compound. Our products cater various industries such as agriculture and infrastructure, packaging, organic and inorganic chemicals, electrical, FMCG, footwear, pharmaceuticals, automotive, and other consumer goods.

### **Impact of COVID-19**

The outbreak of COVID-19 was recognized as a public health emergency of international concern on January 30, 2020 and as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India have taken preventive or protective actions, such as imposing country-wide lockdowns, as well as restrictions on travel and business operations.

Our manufacturing facilities was temporarily shut during the pandemic from March 22, 2020 till May 21, 2020 and thus our production, revenue and profitability was impacted. We have implemented greater safety procedures and requirements at our manufacturing Facility. Due to limited availability of labour, logistics and supply chain constraints, our manufacturing Facility was initially operating at sub-optimal capacity utilization in the current Fiscal.

We resumed operations in a phased manner as per the directive issued by the Government of India and the state government from time to time. Our plant utilization was improved, raw material suppliers resumed their operations and supply and logistics were becoming more regular. However due to ongoing consequential wave of COVID-19 in the Country and temporary lockdowns imposed in various places, we are facing difficulty in resuming our operations in regular manner. However, we have continued to source raw materials from our suppliers and have been able to continue supply of our Products to our customers.

The ongoing and the future impact of COVID-19 or any other severe communicable disease on our business and business operations may depend on several factors including those discussed in section titled "**Risk Factors**" on page 24 of this Draft Letter of Offer. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business. For more details, see section titled "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 161 of this Draft Letter of Offer.

### **Financial Performance**

During Fiscals 2021, 2020 and 2019, our revenue from operations was ₹ 74,99,45,758 lakhs, ₹ 1,56,13,00,944 lakhs and ₹ 2,15,82,35,796 lakhs, respectively. Our EBITDA during Fiscals 2021, 2020 and 2019 was ₹ 4,53,84,210 lakhs, ₹ 8,25,88,751 lakhs and ₹ 4,40,14,775 lakhs respectively while our Profit after tax (PAT) during Fiscals 2021, 2020 and 2019 was ₹ (3,50,17,651) lakhs, ₹ 1,39,72,680 lakhs and ₹ 2,07,77,259 lakhs respectively.

### **Our Area of Operation**

#### **Trading of polymer compounds**

Until year 2019, our Company was only engaged in the trading of various polymer compounds such as EVA Compound), PVC resins, Chlorinated Paraffin Compounds, TPR compounds and PE compounds like Linear low-density polyethylene compounds and High-density polyethylene compounds.

The above polymer compounds are widely used in various industries such as agriculture and infrastructure, packaging, organic and inorganic chemicals, electrical, FMCG, footwear, pharmaceuticals, automotive, and other consumer goods.

EVA compound are soft, flexible plastic with low-temperature toughness and are used in making hot glue sticks.

PVC compound are commonly used for thermoplastic material, which is used in a variety of applications including health care, electronics and others, and also in products ranging from piping and siding, blood bags and tubing, to wire and cable insulation, windshield system components and many more.

Chlorinated Paraffin Compound are used as additives to paints, coatings and sealants to improve their resistance to chemicals and to water, and also as flame retardants for plastics, fabrics, paints and coatings.

TPR Compounds are used as in niche applications like orthopedic soles; ultra-fine cleaning bristles for micro-sized dusting brushes, sports goods etc. along with the conventional applications like footwear and other consumer goods.

PE compound such as LLDPE compound (Linear low-density polyethylene) is used for preparing a variety of film application such as general-purpose film, stretch film, garment packaging, agricultural film, ice bags, bags for supplemental packaging and garbage bags. Similarly, HDPE compound (High-density polyethylene) being a cost-effective thermoplastic is used in several packaging applications including crates, trays, bottles for milk and fruit juices, garbage containers, housewares, pipes and fitting, pipes for gas, water, sewage, drainage, sea outfalls, industrial application, large inspection chambers and manholes for pipe sewage etc.

Our Company is a del credere agent of ONGC Petro Additions Limited and OPaL for supply of PE Compounds

### **Manufacturing of Polymer Compounds.**

From year 2019 onwards, our Company started manufacturing of Polymer Compounds such as PE Compound, PVC Compounds, V blend SOE Compound, PP granules, TPR Compounds.

Our manufacturing facility is located at G-83, Vigyan Nagar, RIICO Industrial Area, Shahjahanpur, Alwar, Rajasthan.

### **Capacity Utilisation**

The details of installed capacities for manufacturing of the Polymer Compounds granted to us and the capacity utilised by us are detailed through the table given below;

<b>Polymer Compound</b>	<b>Installed Capacity</b>	<b>Capacity Utilised in FY 2020-21</b>
EVA Compound	1,000 MT/Annum	319.8900MT/Annum
V-blend SOE Compound	1,000 MT/Annum	7.0000MT/Annum
TPE Compound	1,000 MT/Annum	2.0000MT/Annum
TPR Compound	2,000 MT/Annum	72.9000MT/Annum
PVC Compound	2,500 MT/Annum	183.1500MT/Annum
PP Compound	2,500 MT/Annum	121.5000MT/Annum

### **Raw materials**

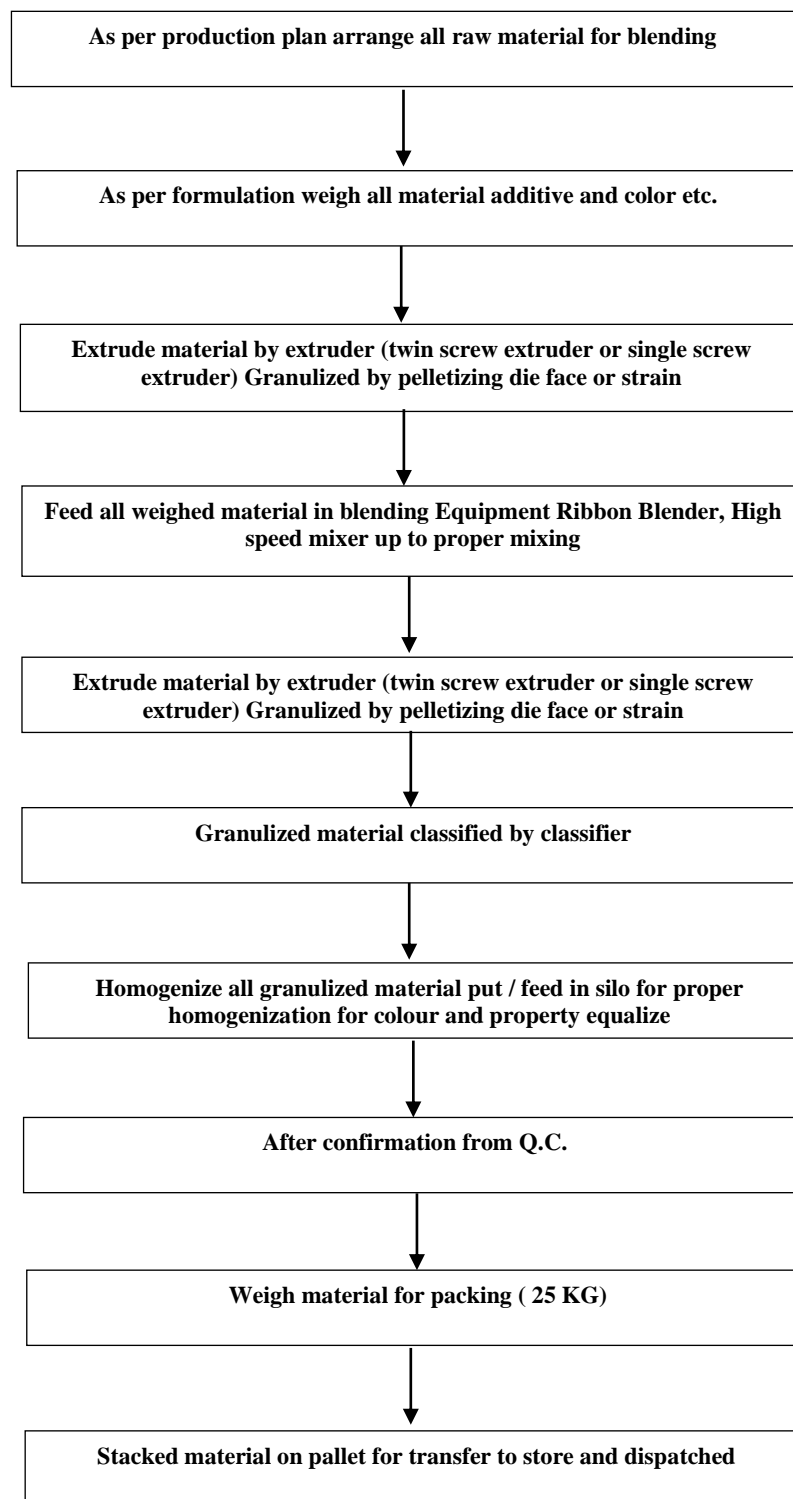
We purchase our raw materials from multiple suppliers on a purchase order basis. We do not have long term contracts for the supply of our raw materials and procure the same through purchase orders. We have long-established relationships with a number of such suppliers, and such long-established relationship with multiple suppliers ensure stable supply without dependency on a single source.

On receipt of the raw materials from the suppliers, our quality control team tests the materials and only after such testing of the materials, the quality control department confirms whether the material is to be approved or rejected.

The primary raw materials essential to manufacture Polymer Compound depends upon the nature of the Polymer Compounds. For instance, in order to manufacture PE Compounds, the raw material required are IM-3, IM-4, LLDPE, power oil, whereas Di Octyl Phthalate, polypropylene along with IM-2, IM-3 and IM\_4 is required for manufacturing of PP Granules.

### **Manufacturing process of Polymer compound**

*The brief details of manufacturing process of polymer compound are depicted through below flow chart;*



### **Manufacturing of Recycled Material**

In FY 2019-20, our Company acquired 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' under a scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi.

Our Company aimed to initiate manufacturing of Recycled Materials after acquisition of ‘Recycled and Trading Compounds Division’ under scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi at optimal level. However due to outbreak of ongoing COVID-19, the manufacturing facility is operating at minimal capacity utilization.

Our Company is in the process of starting the manufacturing of recycled material in phased manner in adherence with guidelines issued by Government of India and State Government from time to time. Our recycled products would find its usage in various industries like pipes, electric cable, automotive industries, footwear and other plastic industries.

### Raw Material

Our Company intends to procure industrial waste from various collection centers on the basis of purchase orders.

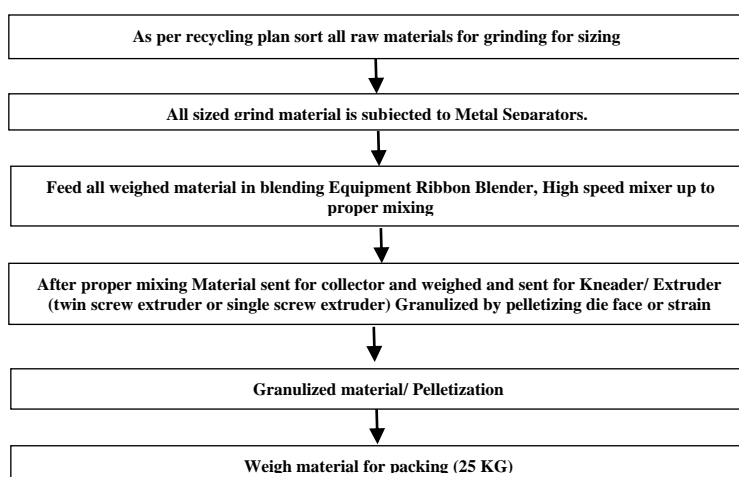
### Capacity Utilisation

The details of installed capacities for manufacturing of the Recycled Material granted to us are detailed through the table given below:

Recycling Material	Installed Capacity	Capacity Utilised*
Polyethylene from MLP	1,000 MT/Annum	NIL
Polystyrene from MLP	1,000 MT/Annum	NIL
PET from PET Waste Plastic	1,000 MT/Annum	NIL
PVC from PVC Waste Plastic	1,000 MT/Annum	NIL
Polyethylene from Tetrapak Waste	1,000 MT/Annum	NIL
Polypropylene from MLP	800 MT/Annum	NIL
PET from MLP	900 MT/Annum	NIL
Fibre Pulp from Tetrapak Waste	900 MT/Annum	NIL

### Manufacturing process of Recycled Material

*The brief details of manufacturing process of recycled material are detailed below:*



### FMCG segment and Agro Products

During 2020-2021, our Company initiated trading in raw and finished cashew nuts to pursue one of its business strategy to venture and intends to expand into FMCG segment.

Our Company has also initiated trading of certain agro products such as rice, pulses etc. and other allied activities. Our Company has also entered into a MOU with National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) for export of agricultural products or commodities and articles to various countries across the world. Our Company has also received export order for exporting rice amounting U.S. \$ 1 million.

### **Trading of Infrastructure Product**

In the year 2021, our Company has also entered into supplying of food grade piping systems for drinking water under the Jal Jeevan Mission initiated by Department of Drinking Water & Sanitation, Ministry of Jal Shakti, Government of India. Our Company also initiated trading of steel pipe, steel pipes fittings and bars.

### **Key Strengths**

**Our competitive strengths are as follows:**

#### ***Experienced management team***

We are led by a group of individuals, having background and experience in the chemical and recycling industry. Our management comprises of professionals who have the requisite academic expertise and relevant experience in business management, commerce, etc. They hold requisite qualifications. Our Promoter, Vivek Garg and our management has a vast experience in chemical industry.

Our team is well qualified and experienced in the industry to which our Company caters and has been responsible for the growth of our operations. We believe the stability of our management team and the industry experience coupled with their strong reputations, will enable us to continue to take advantage of future market opportunities and expand into new markets.

#### ***Quality Assurance***

Our Company has always focused on providing quality product and services to our customers. This is necessary in order to ensure we retain our existing customers and widen our customer base by providing assurance, reliability, and responsive services to our customers. We endeavor to maintain the quality of our services and follow strict procedures to ensure quality services and timely delivery at competitive rates.

#### **Long term relationship with the clients**

Our company focuses on providing the customers with the desired and standard quality product. By providing the desired quality and standards we aim to achieve highest level of customer satisfaction and procure repeated orders from customers. Because of our good reputation with the clients we have been able to attain orders from a diverse range of client base.

### **Business Strategies**

We intend to pursue the following principal strategies to leverage our competitive strengths and grow our business:

#### **Exploring newer applications of our existing products as well as focusing on new product line**

Our current business plans contemplate utilizing part of the Offer proceeds for the intended Objects including acquisition of land for agro-product division during fiscal year 2021-2022. For more information, see “*Objects of the Issue*” on page 58 of this Draft Letter of Offer.

Our Company aims to expand the sale of our products to other industries where such products have application. Our Company also intends to venture into ‘Food protection and Personal Hygiene’ segment of FMCG industry with the total investment of approx. ₹100 Crores in two years and is in process of acquiring portfolio of trademarks, comprising of popular and well-established national brands.

Our Company also intends to tap into recycling of Multi-Layered Packages (MLP's), and is in the advance stages of joining hands with the renowned research institution to acquire technology and to set up its own manufacturing units for recycling of MLP's.

Our Company also intends to enter into namely Producer Responsibility Organization (PRO), Extended Producer Responsibility (EPR) as an extension of its recycling of plastic waste business, personal hygiene and other items of fast-moving consumer goods. This will enable our Company to venture into new products, processes, segments, businesses which are under the existing circumstances conveniently and advantageously could be combined with the present activities of the Company.

Our Company has also completed the process of registration and has been granted with the stage-I clearance from State Investment Promotion Board, Bihar for setting up an Ethanol Distillery at Bhagalpur, Bihar under the Ethanol Production Promotion Policy 2021 with initial installed capacity of 60KL per-day and our Company is in process of making other application for various clearances, as may be required.

### **Entering into new geographies**

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products in different parts of the country. We propose to increase our marketing and sales team which can focus in different regions and also maintain and establish relationship with customers. Enhancing our presence in other regions will enable us to reach out to a larger population. Further, our Company believes in maintaining long term relationships with our customers in terms of increased sales. We aim to achieve this by adding value to our customers through innovation, quality assurance, timely delivery, and reliability of our products.

### **Improving operational efficiencies**

Our Company intends to improve efficiencies and achieve cost reductions to enable our products to have competitive advantage. We believe that this can be achieved through economies of scale. As a result of these measures, our Company will be able to increase its market share and profitability.

### **Attract and retain talented employee**

Employees are essential for the success of every organization. We rely on them to operate our manufacturing facilities and deliver quality performance to our clients. We constantly intend to continue our focus on improving health, safety and workplace environment for our employees and provide various programs and benefits for the personal well-being and career development of our employees. We intend to strive to further reduce the employee attrition rate and retain more of our skilled workers for our future expansion by providing them with better, safer and healthier working environment.

### **Focus on consistently meeting quality standards**

Our Company intends to focus on adhering to the quality standards of the products. This is necessary so as to make sure that we have repetitive orders from our customers. Quality of the product is very important for the Company from both customer point of view and regulatory point of view. Providing the desired and good quality product helps us in enhancing our brand value and maintaining long term relationships with our customers.

### **Invest significantly in Research and development**

We intend to increase our initiatives in R&D in order to constantly study industry verticals to identify product inefficiencies in areas in which we could add value. Going forward, we intend to expand our research and development capabilities, by increasing our investment in employing qualified individuals from the industry. We believe that continued investments in R&D will enable us to increase our productivity, improve our operating efficiency, and enable us to penetrate existing and new market segments.

### **Quality control and quality assurance**

Our Company has received ISO 9001:2015 certification with respect to the trading and manufacturing of various Polymer Compounds. Various in-process quality checks are performed to monitor product quality during the manufacturing process.

We believe that maintaining a high standard of quality of our products and our Manufacturing Facility is critical to our Company and continued success. We have put in place systems that cover all areas of our business processes from manufacturing to product delivery for ensuring consistent high quality, efficacy and safety of our products.

### **Sales Marketing and Distribution**

We sell our products to our customers in India and as well as outside India. We have an in-house team dedicated to marketing, distribution and sale of our products, in India and abroad. We seek to maintain direct relationships with our key customers to better understand their requirements. Where required, we transport our products directly to our customers by land, air or sea ways, based on the circumstances involved and the requirements of our customers. We rely on freight forwarders to deliver our products. We do not have formal contractual relationships with our freight forwarders. The pricing for freight is negotiated on each shipment basis.

### **Human resources**

Our work force is a critical factor in maintaining quality and safety standards and that good relations with our workforce is critical in strengthening our competitive position in the market. As on September 30, 2021, we had 20 permanent employees on our roll.

### **Equipment and Machinery**

Our manufacturing facilities have been built with keeping in mind efficiency, safety and environmental factors. Our factory complex has all the key ingredients for a successful manufacturing unit. We have made all endeavor in procuring top of the line equipment that can effectively cater to specific customer needs. The major equipment and machinery installed at our manufacturing facility includes Kneader Machine, Plastic High-Speed Mixer, Rolling Machine & Grinding Machine, Single Screw Extruder, Slach Hydrates Dispenser Kneader, Twin Screw Extruder, Dehumidifier Air Dryer with Crystallizer, PVC Pipe Extruder Machine, Pulverizer, Homogenizer, Metal Separator, Hi speed Mixer and others.

### **Information technology**

We have implemented a modern information technology system, which helps us in day to day functioning of our business.

### **Regulatory and environmental matters**

We are subject to extensive environmental laws and regulations, including regulations relating to the prevention and control of water pollution and air pollution, environmental protection and hazardous waste management in relation to our manufacturing facility. These laws and regulations govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations. Our Company has obtained the necessary environment related approvals in relation to our manufacturing facilities.

### **Health and safety**

We aim to comply with applicable health and safety regulations and other requirements in our operations and comply with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our facility or under our management.

### **Intellectual property**

As on the date of this Draft Letter of Offer, our Company does not owns any intellectual property rights in relation to its business. For, further information, please see section titled "**Risk Factor**" beginning on page 24 of

this Draft Letter of Offer.

### Insurance

We have obtained insurance with respect to our manufacturing facility, covering *inter alia* buildings, plant and machinery, furniture and stock located therein. Insurance coverage taken by the Company during the current financial year as well as for Fiscals 2021, 2020 and 2019 for stocks, buildings, furniture, plant and machinery as below:

Sr. No.	Fiscal	Total insurance coverage taken for stocks, buildings, furniture, plant and machinery
1.	2021	25.15 Crore
2.	2020	31.51 Crore
3.	2019	9.60 Crore

While, our Company believes that we have adequately insured our assets, we can provide no assurance in this regard for further details, see section titled "**Risk Factors**" beginning on page 24 of this Draft Letter of Offer.

### Properties

The details of the material properties used by our Company for our operations are set forth below:

Sr. No.	Particulars	Address	Leased/ Owned
1.	Registered office	Vikas Apartments, G-1, 34/1 East Punjabi Bagh New Delhi-110026	Owned
2.	Manufacturing facility at Shahjahanpur (Rajasthan)	G-83, Vigyan Nagar, RIICO Industrial area, Shahjahanpur, Rajasthan 301706	Leased

There are certain other commercial properties which is owned by the Company for the purpose of investment.

## OUR MANAGEMENT

### Our Board of Directors

Our Articles of Association require us to have not less than three and not more than fifteen Directors. As on date of this Draft Letter of Offer, we have seven (7) Directors on our Board, comprising of two (2) Executive Directors, one Non-Executive Director Non-Independent and four (4) Independent Directors, including three (3) women directors. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each annual general meeting. A retiring director is eligible for re-appointment. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five years each.

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

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Mrs. Richa Sharma	31	Nil

**Designation:** Non-Executive - Independent Director-Chairperson

**Address:** D-2/32, Street No. 5, Mahavir Enclave, New Delhi - 110045

**DIN:** 08709599

**Date of birth:** November 23, 1989

**Term:** 5 Years till September 29, 2025

**Period of directorship:** From September 30, 2020

**Occupation:** Assistant Professor

Mr. Vivek Garg

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1. Emanate Pipe Private Limited
2. Maharaja Agarsen Academy Private Limited
3. Vikas Surya Buildwell Private Limited
4. A.G. Agrotech & Power Private Limited
5. Vikas Ecotech Limited

**Designation:** Managing Director

**Address:** House no. 10, Road No. 4, East Punjabi Bagh, Punjabi Bagh, West Delhi, Delhi 110026

**DIN:** 00255443

**Date of birth:** November 26, 1974

**Term:** 5 Years till September 19, 2026

**Period of directorship:** Since July 25, 2008

**Occupation:** Business

Mr. Vikas Garg

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1. Vikas Ecotech Limited

**Designation:** Non-Executive - Non-Independent Director

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Address:</b> House no. 7, Road No. 41, West Punjabi Bagh, Punjabi Bagh, West Delhi, Delhi 110026</p> <p><b>DIN:</b> 00255413</p> <p><b>Date of birth:</b> June 15, 1973</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of directorship:</b> From June 7, 2013</p> <p><b>Occupation:</b> Business</p>		
<b>Mr. Vijay Kumar Sharma</b>	55	Nil
<p><b>Designation:</b> Whole Time Director cum Chief Executive Officer</p> <p><b>Address:</b> House No. 1075, Sector-10, Faridabad, Haryana-121006</p> <p><b>DIN:</b> 08721833</p> <p><b>Date of birth:</b> May 27, 1966</p> <p><b>Term:</b> 5 Years till September 29, 2025</p> <p><b>Period of directorship:</b> From September 30, 2020</p> <p><b>Occupation:</b> Professional</p>		
<b>Ms. Preeti Gupta</b>	28	
<p><b>Designation:</b> Non-Executive - Independent Director</p> <p><b>Address:</b> H-15/6, 3<sup>rd</sup> floor, Malviya Nagar, South Delhi, Delhi - 110017</p> <p><b>DIN:</b> 09277719</p> <p><b>Date of birth:</b> October 1, 1993</p> <p><b>Term:</b> 5 Years till August 24, 2026</p> <p><b>Period of directorship:</b> August 25, 2021 till date August 24, 2026</p> <p><b>Occupation:</b> Professional</p>		
<b>Mr. Anil Kumar Deswal</b>	55	1. Hill Fern N Flora LLP
<p><b>Designation:</b> Additional Non-Executive - Independent Director</p> <p><b>Address:</b> A-304, 3<sup>rd</sup> Floor, Tower A, MSX Alpha Homes, Plot No. GH10, Alpha 1, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh - 201308</p>		

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
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**DIN:** 07215544

**Date of birth:** November 11, 1965

**Term:** 5 Years till September 23, 2026

**Period of directorship:** From September 24, 2021 till the ensuing AGM

**Occupation:** Professional

<b>Ms. Ruby Bansal</b>	35	Nil
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**Designation:** Additional Non-Executive - Independent Director

**Address:** T-27B, Near Jain Sthanak, Uttam Nagar, D.K. Mohan Garden, West Delhi, New Delhi, Delhi - 110059

**DIN:** 09338232

**Date of birth:** June 2, 1986

**Term:** 5 Years till September 23, 2026

**Period of directorship:** From September 24, 2021 till the ensuing AGM

**Occupation:** Professional

<b>Mr. Arvind Gupta</b>	62	Nil
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**Designation:** Additional Director, Finance cum Chief Financial Officer

**Address:** 107 C, GH-2, Ankur Appt., Paschim Vihar, West Delhi, New Delhi - 110063

**DIN:** 02549596

**Date of birth:** August 2, 1959

**Term:** 5 Years till September 23, 2026

**Period of directorship:** From September 24, 2021 till the ensuing AGM

**Occupation:** Professional

## Confirmations

None of our Directors is, or was a director of any listed company during the last five years preceding the date of filing of this Draft Letter of Offer, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorship in such company.

None of our Directors is or was a director of any listed company during the last ten years immediately preceding the date of filing this Draft Letter of Offer, which has been, or was delisted from any stock exchange during the term of their directorship in such company.

### Our Key Managerial Personnel and Senior Management Personnel

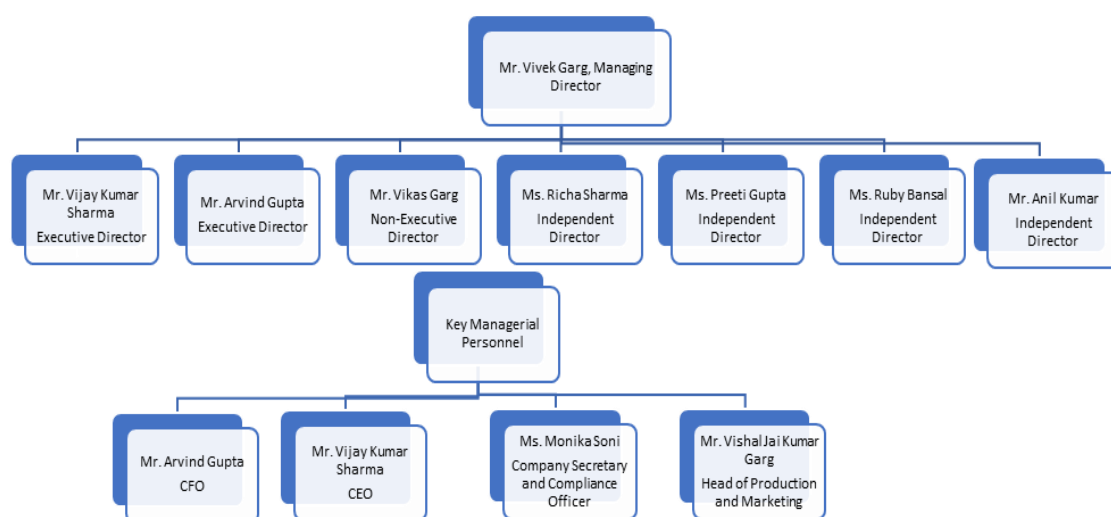
Set forth below are the details of Key Managerial Personnel and Senior Management Personnel of our Company as on the date of filing of this Draft Letter of Offer:

Sr. No.	Name of key management personnel and senior management personnel	Designation	Associated with Company since
1.	Mr. Vivek Garg	Managing Director	July 25, 2008
2.	Mr. Arvind Gupta	Chief Financial Officer	September 24, 2021
3.	Mr. Vijay Kumar Sharma	Chief Executive Officer	September 30, 2020
4.	Ms. Monika Soni	Compliance Officer	June 25, 2021
5.	Ms. Monika Soni	Company Secretary	June 25, 2021
6.	Mr. Vishal Jai Kumar Garg	Head of Production and Marketing	June 4, 2009

### Relationship of Key Managerial Personnel with our Directors, Promoter and/ or other Key Managerial Personnel

Mr. Vishal Jai Kumar Garg, the Head of Production and Marketing, key managerial personnel of the Company, is related to our Promoter and Promoter Group, Mr. Vivek Garg and Mr. Vishal Garg.

### Management Organization Structure



## SECTION V: FINANCIAL INFORMATION

### FINANCIAL STATEMENTS



#### GOYAL NAGPAL & CO

CHARTERED ACCOUNTANTS

OFFICE : 20 - A Street No. 6, Dheeraj Vihar, Karala,

New Delhi-110085

OFFICE NO. 9811952775

EMAIL : goyalnagpal01@gmail.com

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#### **LIMITED REVIEW REPORT ON STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND THREE MONTHS ENDED 30<sup>th</sup> JUNE, 2021**

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To,

The Board of Directors

Vikas Lifecare Limited (Formerly Known as Vikas Multicorp Limited)

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results ("the Statement") of **Vikas Lifecare Limited** (Formerly Known as Vikas Multicorp Limited) ("the Company") for the quarter and three months ended 30<sup>th</sup> June, 2021 being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended, including relevant circulars issued by the SEBI from time to time).

The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principle laid down in Indian Accounting Standard 34, Interim Financial reporting ('Ind AS 34'), prescribed under section 33 of the companies Act, 2013 (the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**GOYAL NAGPAL & CO****CHARTERED ACCOUNTANTS****OFFICE : 20 - A Street No. 6, Dheeraj Vihar, Karala,****New Delhi-110085****OFFICE NO. 9811952775****EMAIL : goyalnagpal01@gmail.com**

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Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial results, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (as amended) including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Goyal Nagpal & Co.****Chartered Accountants**

Firm's Registration No. 018289C

VIRENDER  
NAGPAL

Digitally signed by  
VIRENDER NAGPAL  
Date: 2021.07.09  
13:05:08 +05'30'

(CA Virender Nagpal)

Partner

M.No. 416004

Date: 09.07.2021

Place: New Delhi

UDIN: **21416004AAAAGU4927**

<b>VIKAS LIFECARE LIMITED</b> <b>(FORMERLY KNOWN AS VIKAS MULTICORP LTD.)</b> CIN - L25111DL1995PLC073719 REGD OFF: G-1, VIKAS HOUSE, 34/1, EAST PUNJABI BAGH, NEW DELHI - 110026, PH NO: 011-40450110 EMAIL: info@vikaslifecarelimited.com				
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2021				
Particulars	Three Months Ended			Figures in Lacs
	30.06.2021	31.03.2021	30.06.2020	Year Ended 31.03.2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
I Revenue from operations (Refer Note 1 and 2)	2,410.41	3,005.55	365.22	7,499.45
II Other Income	123.02	335.04	124.61	917.06
III <b>Total Revenue (I+II)</b>	<b>2,533.43</b>	<b>3,340.59</b>	<b>489.83</b>	<b>8,416.51</b>
IV <b>Expenses:</b>				
Cost of Material Consumed	323.87	401.68	472.78	2,437.83
Purchase of Stock-In-Trade	2,059.46	1,357.84	-	3,335.53
Change in stock	(188.38)	272.87	(114.67)	602.56
Employee Benefit Expense	19.24	19.27	8.95	65.63
Financial Costs	132.90	154.83	82.22	535.39
Depreciation and Amortization Expense	21.43	24.98	14.18	68.43
Other Expenses	120.37	81.29	15.82	280.70
<b>Total Expenses</b>	<b>2,488.89</b>	<b>2,312.76</b>	<b>479.28</b>	<b>7,326.07</b>
V Profit before Exceptional Items and Tax	<b>44.54</b>	<b>1,027.83</b>	<b>10.55</b>	<b>1,090.44</b>
VI Exceptional items / Prior Period Income / (Expenses) (refer note 1 and 6)	-	(1,240.42)	-	(1,240.42)
VII Profit before Tax	<b>44.54</b>	<b>(212.59)</b>	<b>10.55</b>	<b>(149.98)</b>
VIII <b>Tax Expense:</b>				
(1) Current Tax	11.21	120.64	2.66	137.46
(2) Deferred Tax	-	29.15	-	29.15
(3) Previous Year Income Tax	-	33.56	-	33.56
(4) Excess/ Short provision relating earlier year tax	-	-	-	-
IX Profit/(Loss) from the period from Continuing Operations	<b>33.33</b>	<b>(395.94)</b>	<b>7.89</b>	<b>(350.15)</b>
X Tax Expense of Discontinuing Operations				
XI Profit/(Loss) from Discontinuing operations	<b>33.33</b>	<b>(395.94)</b>	<b>7.89</b>	<b>(350.15)</b>
XII Profit/(Loss) for the period	<b>33.33</b>	<b>(395.94)</b>	<b>7.89</b>	<b>(350.15)</b>
XIII <b>Other comprehensive (income)/ expense</b>				
Items that will not be reclassified to profit or loss in subsequent periods:	110.64	3,780.62	1,199.70	1661.42
Re-measurement gains (losses) on defined benefit plans	-0.06	4.64	2.07	4.64
Income tax effect	-	(221.61)	(302.46)	(1.21)
Other comprehensive (income)/ expense (net of tax) Refer note 3				
XIV <b>Total comprehensive income as per Ind AS</b>	<b>143.91</b>	<b>3,167.71</b>	<b>907.20</b>	<b>1,314.70</b>
XV <b>Earning per Equity Share:</b>				
(1) Basic	0.004	(0.060)	0.001	(0.053)
(2) Diluted	0.004	(0.060)	0.001	(0.053)



*Signature*



GOYAL NAGPAL & CO.  
CHARTERED ACCOUNTANTS  
OFFICE : 20 - A Street No. 6, Dheeraj Vihar, Karala  
NEW DELHI-110081  
OFFICE NO. 9811952775  
EMAIL : goyalnagpal01@gmail.com

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#### INDEPENDENT AUDITOR'S REPORT

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To the Members of Vikas Lifecare Limited (Formerly known as Vikas Multicorp Limited)

Report on the Standalone Ind AS financial Statements

##### Opinion

We have audited the accompanying standalone Ind AS financial statements of Vikas Lifecare Limited (Formerly known as Vikas Multicorp Limited) ("the Company") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

##### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



**GOYAL NAGPAL & CO.  
CHARTERED ACCOUNTANTS**

**OFFICE : 20 - A Street No. 6, Dheeraj Vihar, Karala**

**NEW DELHI-110081**

**OFFICE NO. 9811952775**

**EMAIL : goyalnagpal01@gmail.com**

<b>(i) Revenue Recognition, rebate and sales returns</b> (As described in note 2.18 and 28 of the standalone Ind AS financial statements)	
<p><b>Revenue Recognition</b></p> <p>The timing of revenue recognition is relevant to the reported performance of the Group.</p> <p>We identified revenue recognition as a key audit matter because of the quantum of revenue and the time and audit effort involved in auditing the terms of the customers contract and the revenue recognized.</p> <p>For the year ended March 31, 2021 the Company has recognized revenue from contracts with customers amounting to ₹ 74,99,45,758-.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We assessed the compliance of the revenue recognition accounting policy against the requirements of Indian Accounting Standard ("Ind AS").</li> <li>• Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition on selected transactions.</li> <li>• Using statistical sampling, we tested the terms of the revenue contracts against the recognition of revenue based on the underlying documentation and records.</li> <li>• We tested the accuracy of revenue recognized around year end. On a sample basis, we evaluated the appropriateness of revenue being recognized in the correct accounting period.</li> <li>• We assured the adequacy of disclosures in the financial statement against the requirements of Ind AS -115, Revenue from customer with contract.</li> </ul>

We have determined that there are no other key audit matters to communicate in our report.

**Information Other than the Standalone Ind AS financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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



GOYAL NAGPAL & CO.  
CHARTERED ACCOUNTANTS

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In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

#### **Management Responsibility for the Standalone Ind AS financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India.

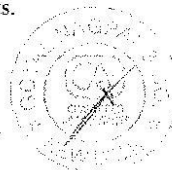
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of Standalone Ind AS financial Statement**

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





**GOYAL NAGPAL & CO.  
CHARTERED ACCOUNTANTS**

**OFFICE : 20 - A Street No. 6, Dheeraj Vihar, Karala  
NEW DELHI-110081**

**OFFICE NO. 9811952775**

**EMAIL : goyalnagpal01@gmail.com**

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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





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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the Internal Financial Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal financial controls over financial reporting.

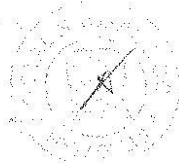


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- g) In our opinion the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 55 to the Standalone Ind AS financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Goyal Nagpal & Co.  
Chartered Accountants  
(Firm's Registration No. 018289C)

CA Virinder Nagpal  
Partner  
(Membership No. 416004)  
Place: New Delhi  
Date: June 25, 2021  
UDIN: 21416004AAAAGI3775





GOYAL NAGPAL & CO.  
CHARTERED ACCOUNTANTS  
OFFICE : 20 - A Street No. 6, Dheeraj Vihar, Karala  
NEW DELHI-110081  
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**Annexure A to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements of **Vikas Lifecare Limited (Formerly known as Vikas Multicorp Limited)** for the year ended March 31, 2021, we report that:

- i.
- The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date except mentioned in below.

Particulars of Land and Building	No. of Assets	Gross Block as on 31 <sup>st</sup> March 2021	Net Block as on 31 <sup>st</sup> March 2021	Remarks
Land and building located at Delhi, Haryana and different place in Jammu and Kashmir	4	97,75,412	97,75,412	Lands were transferred to M/s Vikas Lifecare Limited (Formerly known as M/s Vikas Multicorp Limited) vide demerger of M/s Vikas Ecotech Limited under section 230 to 232 of the Companies Act, 2013 in terms of the approval of the National Company Law tribunal.



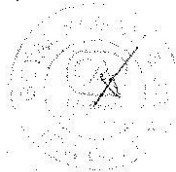
**GOYAL NAGPAL & CO.  
CHARTERED ACCOUNTANTS**

**OFFICE : 20 - A Street No. 6, Dheeraj Vihar, Karala  
NEW DELHI-110081**

**OFFICE NO. 9811952775**

**EMAIL : goyalnagpal01@gmail.com**

- 
- ii. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification
- iii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act in the current year. Accordingly, clause (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- iv. According to the information and explanation provided to us, there are no loans, guarantees and security given by the Company, to Directors, covered under the provisions of section 185 of the Act. According to the information and explanations provided to us, provisions of section 186 of the Act have been complied with respect to loans, guarantees, investment and security.
- v. The Company has not accepted any deposits within the meaning of sections 73 to 76 of the act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the order are not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.
- vii. According to the information and explanations given to us, in respect of records of statutory dues
- a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and services tax, value added tax, cess and any other statutory dues applicable to it with appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.





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- c) According to the records of the company, the dues outstanding of employees' state insurance, income-tax, sales-tax, duty of custom, duty of excise, goods and service tax, cess and other statutory dues, on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	6.04 Lakhs	A.Y. 2016-17	ITAT- Delhi
Income Tax Act, 1961	Income Tax Demand	45.03 Lakhs	A.Y. 2017-18	CIT(A)- Delhi
Income Tax Act, 1961	Income Tax Demand	29.23 Lakhs	A.Y. 2018-19	CIT(A)- Delhi

- viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or Government.
- ix. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer / further public offer / debt instruments during the year.
- x. In our opinion no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and the explanations given to us and based on examination of records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. In our opinion and according to the information and the explanations given to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.



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- xiv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and the explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of Companies Act, 2013
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Goyal Nagpal & Co.  
Chartered Accountants  
(Firm's Registration No. 018289C)

CA Vipender Nagpal  
Partner  
(Membership No. 416004)  
Place: New Delhi  
Date: June 25, 2021  
UDIN: 21416004AAAAGI3775



GOYAL NAGPAL & CO.  
CHARTERED ACCOUNTANTS

OFFICE : 20 - A Street No. 6, Dheeraj Vihar, Karala

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**Annexure - B to the Independent Auditor's Report of even date on the Standalone Ind AS financial statements of Vikas Lifecare Limited (Formerly known as Vikas Multicorp Limited)**

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

We have audited the internal financial controls over financial reporting of **Vikas Lifecare Limited (Formerly known as M/s Vikas Multicorp Limited)** ('the company') as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

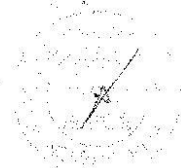
The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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





GOYAL NAGPAL & CO.  
CHARTERED ACCOUNTANTS

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EMAIL : goyalnagpal01@gmail.com

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Goyal Nagpal & Co.**

Chartered Accountants

(Firm's Registration No. 018289C)

**CA Virender Nagpal**

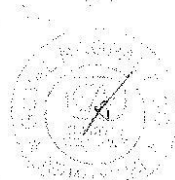
Partner

(Membership No. 416004)

Place: New Delhi

Date: June 25, 2021

UDIN: 21416004AAAAGI3775



**VIKAS LIFECARE LIMITED**  
(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)  
CIN: U25111DL1995PLC073719  
**BALANCE SHEET AS AT MARCH 31, 2021**

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	3	4,46,77,833	3,51,57,914
Investment Property	4	7,80,91,543	6,39,47,625
Financial Assets			
- Investments	5	3,32,38,800	9,94,14,538
- Loans	6	80,00,000	1,80,00,000
- Trade Receivables	7	28,33,59,842	59,99,00,734
- Other financial assets	8	9,37,53,564	4,30,10,000
Deferred Tax Assets (Net)	9	-	22,22,147
Other non current assets	10	1,56,36,094	24,01,410
<b>Total Non Current Assets</b>		<b>55,67,87,676</b>	<b>86,60,54,368</b>
<b>Current Assets</b>			
Inventories	11	27,17,15,977	30,33,02,021
Financial assets			
- Trade receivables	12	42,92,23,343	1,16,23,70,969
- Cash & cash equivalents	13	18,75,242	21,71,628
- Loans	14	4,74,000	50,600
- Other financial assets	15	3,43,38,875	69,53,057
Other current assets	16	19,49,25,144	29,69,39,966
<b>Total Current Assets</b>		<b>93,27,54,581</b>	<b>1,68,08,87,641</b>
<b>Total Assets</b>		<b>1,48,95,12,257</b>	<b>2,54,69,42,009</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	17	66,34,95,495	66,34,95,495
Other equity	18	32,00,355	(12,82,68,232)
<b>Total Equity</b>		<b>66,66,95,850</b>	<b>53,52,27,263</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
- Borrowings	19	16,20,05,977	5,49,67,500
Provisions	20	6,72,351	7,79,343
Deferred Tax Liabilities (Net)	9	8,13,975	-
Other non current liabilities	21	-	5,08,44,316
<b>Total Non Current Liabilities</b>		<b>16,34,92,403</b>	<b>10,65,91,159</b>
<b>Current Liabilities</b>			
Financial Liabilities			
- Borrowings	22	25,10,27,390	34,72,14,611
- Trade Payables	23	-	-
- Outstanding dues of micro enterprises & small enterprises		24,52,53,136	28,34,71,326
- Outstanding dues of creditors other than above		13,13,12,252	1,22,28,88,178
- Other financial liabilities	24	75,24,177	54,65,834
Provisions	25	68,203	1,20,420
Other current liabilities	26	1,12,40,795	3,97,09,393
Current Tax Liabilities (Net)	27	1,28,98,051	62,53,825
<b>Total Current Liabilities</b>		<b>65,93,24,004</b>	<b>1,90,51,23,587</b>
<b>Total Liabilities</b>		<b>82,28,16,407</b>	<b>2,01,17,14,746</b>
<b>Total Equity &amp; Liabilities</b>		<b>1,48,95,12,257</b>	<b>2,54,69,42,009</b>

The accompanying Notes 1 to 36 forms integral part of these Financial Statements.

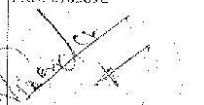
This is the Balance Sheet referred to in our report of even date

for **GOYAL NAGPAL & CO.**

Chartered Accountants

FRN: 018289C

For and on behalf of the Board of Directors

  
(CA Virender Nagpal)  
Partner  
M.No. 416000  
Date: 25-06-2021  
Place: Delhi  
UDIN : 21416004AAAAG13775

  
Vivek Gupta  
Managing Director  
DIN : 00755443  
  
Chandan Kumar  
Chief Financial Officer

  
Vijay Kumar Sharma  
Whole time Director & CFO  
DIN : 08721833  
  
Monika Soni  
Company Secretary

VIKAS LIFECARE LIMITED  
(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)  
CIN: U25111DL1995PLC073719

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2021

(Amount in Rs.)


Particulars	Note No.	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Income</b>			
Revenue From Operations	28	74,99,45,758	1,56,13,00,944
Other Income	29	1,01,52,508	2,15,58,637
<b>Total Income</b>		<b>76,00,98,267</b>	<b>1,58,28,59,581</b>
<b>Expenses</b>			
Cost of Material Consumed	30	24,37,83,118	1,34,86,94,179
Purchase of Stock-In-Trade	31	33,35,52,888	21,22,69,999
Changes in Inventories of Finished Goods and stock-in-trade	32	6,02,56,370	(13,63,89,886)
Employee Benefit Expenses	33	65,63,378	99,29,039
Finance Costs	34	5,55,39,490	5,01,08,954
Depreciation expense	35	68,43,187	74,17,470
Other expenses	36	2,80,68,927	2,46,16,846
<b>Total Expenses</b>		<b>73,26,07,357</b>	<b>1,51,66,46,601</b>
<b>Profit before exceptional items and tax</b>		<b>2,74,90,909</b>	<b>6,62,12,980</b>
Less: Exceptional Items	37	(4,24,89,377)	(4,11,50,652)
<b>Profit/(Loss) Before Tax</b>		<b>(1,49,98,467)</b>	<b>2,50,62,327</b>
<b>Tax expense:</b>	38		
- Current Tax		1,37,46,945	83,92,223
- Deferred Tax		29,15,323	33,08,414
- Prior Period Tax Adjustments		33,56,915	(6,10,990)
<b>Total Tax Expense</b>		<b>2,00,19,183</b>	<b>1,10,89,647</b>
<b>Profit/(Loss) for the period</b>		<b>(3,50,17,651)</b>	<b>1,39,72,680</b>
Other Comprehensive Income (OCI)			
- Items that will not be reclassified to profit or loss	39		
"(a) Fair valuation of financial instruments through OCI		16,61,42,424	(38,14,32,771)
" Tax on Fair valuation of Financial Instruments		-	-
" (b) Re-measurement gains/(losses) on defined benefit plans		4,64,613	2,64,427
" Tax on Fair valuation of defined benefit plans		(1,20,799)	(64,224)
<b>Total Other Comprehensive Income for the period</b>		<b>16,64,86,237</b>	<b>(38,12,32,568)</b>
<b>Total Comprehensive Income for the period</b>		<b>13,14,68,587</b>	<b>(36,72,59,888)</b>
Earnings per Equity Share of Rs. 1 each	40		
Basic		(0.053)	0.021
Diluted		(0.053)	0.021

The accompanying Notes 1 to 56 forms integral part of these Financial Statements  
This is the Statement of Profit & Loss referred to in our report of even date

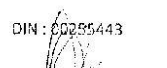
for GOYAL NAGPAL & CO  
Chartered Accountants  
FRN: 018289C


  
(CA Virender Nagpal)  
Partner  
M.No. 416004  
Date: 25-06-2021  
Place: Delhi  
UDIN : 21416004AAAAGI3775

For and on behalf of the Board of Directors

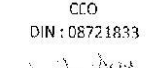
  
Vivek Gang  
Managing Director

DIN : 00285443

  
Chandan Kumar  
Chief Financial Officer

  
Vijay Kumar Sharma  
Whole time Director &  
CCO

DIN : 08721833

  
Monika Soni  
Company Secretary

**VIKAS LIFECARE LIMITED**  
**(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)**  
CIN: U25111DL1995PLC073719  
**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2021**

(Amount in Rs.)

Particulars	For the Year Ended March 31, 2021		For the year ended March 31, 2020	
<b>A. Cash flow from operating activities :</b>				
Net Profit/(Loss) before tax		(1,49,98,467)		2,50,62,327
<b>Adjustments for:</b>				
Depreciation	68,43,187		74,17,470	
(Profit)/Loss on sale of PPE & Investment Property	-		(19,34,007)	
Finance cost	5,35,39,490		5,01,08,954	
Share Profit from Partnership Firms	(19,33,929)		(1,38,79,992)	
Foreign Exchange difference	(15,17,868)		57,76,593	
Net Loss on Sales of Investments	4,24,89,377		67,42,720	
Provision for Gratuity	2,66,163		2,47,680	
Rental Income	(45,01,277)		(24,95,668)	
Interest Income	(23,99,433)	9,29,65,707	(86,05,710)	4,33,78,016
<b>Operating profit / (loss) before working capital changes:</b>		7,79,67,240		6,84,40,367
<b>Adjustments for Working Capital Changes:</b>				
Decrease/(Increase) in Inventories	3,15,86,044		(2,09,55,634)	
Decrease/(Increase) in Trade receivables	1,05,12,04,385		(32,94,54,591)	
Decrease/(Increase) in Financial Assets & other assets	(2,34,86,595)		(12,65,31,987)	
Decrease/(Increase) in Trade payables	(1,12,97,94,116)		31,96,20,747	
Decrease/(Increase) in Other financial liabilities	30,38,342		21,39,144	
Decrease/(Increase) in Other current liabilities	(7,97,57,395)	(14,81,89,334)	13,28,49,614	(2,23,32,707)
Cash generated from operations		(7,02,22,094)		4,61,07,661
Tax Paid		(65,98,894)		(1,08,97,869)
<b>Net cash flow from operating activities (A)</b>		(7,68,20,989)		3,52,09,792
<b>B. Cash flow from investing activities</b>				
Acquisition of property, Plant and Equipment	(1,46,99,664)		(50,11,470)	
Stocks converted into Investment in Property	-		(6,69,94,061)	
Investment in Properties	(1,38,07,360)		-	
Proceeds from Investment property	-		4,31,00,000	
Proceeds from Loans	1,69,00,909		-	
Proceeds from Investments	13,16,79,149		65,13,602	
Rent from Investment Property	43,01,277		24,95,668	
Interest received	23,99,433		86,05,710	
<b>Net cash flow from / (used in) investing activities (B)</b>		11,92,12,837		(1,14,90,552)
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings	(9,61,87,221)		(2,86,76,469)	
Proceeds from Non Current Borrowings	10,70,38,477		4,17,92,300	
Finance cost	(5,15,39,490)		(5,31,08,954)	
<b>Net cash flow from / (used in) financing activities (C)</b>		(4,26,88,234)		(3,69,93,083)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		(2,96,386)		(1,32,73,843)
Cash and cash equivalents at the beginning of the year		21,71,628		1,54,45,471
Cash and cash equivalents at the end of the period		18,75,242		21,71,628
<b>Components of Cash &amp; Cash Equivalents (Refer Note No. 13)</b>				
Cash in hand		19,26,732		13,15,537
Cheques in Hand		-		11,690
Balancees with Banks		8,55,120		8,44,431
<b>Total Cash and Cash Equivalents</b>		18,75,242		21,71,628

(i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard 7, "Statement of Cash flows"

(ii) Figures in Bracket indicate cash outgo.

(iii) The figures for the previous year have been regrouped in order to make them comparable with the current year figures.

For GOYAL NAGPAL & CO.

Chartered Accountants

FRN-018289

(CA Virender Nagpal)

Partner

M.No. 416004

Date: 25-05-2021

Place: Delhi

UDIN : 21416074AAAAG13775

For and on behalf of the Board

Vivek Garg  
Managing Director  
DIN : 00755443

Vijay Kumar Sharma  
Whole time Director & CEO  
DIN : 08721833

Charu Goyal  
Chief Financial Officer

Monika Soni  
Company Secretary

VIKAS LIFECARE LIMITED  
CIN: U25111DL1995PLC023719  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(A) Equity Share Capital

Equity shares of Rs. 1 each issued, subscribed and fully paid up

(Amount in Rs.)

Particulars	No of Equity Share	Amount
Opening balance as at April 1, 2019	66,34,95,495	66,34,95,495
Changes during the year ended	-	-
Balance as at March 31, 2020	66,34,95,495	66,34,95,495
Changes during the year ended	-	-
Balance As at March 31, 2021	66,34,95,495	66,34,95,495

(B) Other Equity

Particulars	Reserves & Surplus			Other Comprehensive Income		Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurement of defined benefit Plan	
Balance as at April 1, 2019	5,98,02,250	10,63,12,074	3,56,05,988	-	3,72,71,344	23,89,91,655
Prior Period Adjustments	-	-	-	-	-	-
Net Balance as at April 1, 2019	5,98,02,250	10,63,12,074	3,56,05,988	-	3,72,71,344	23,89,91,656
Other comprehensive income for the year, net of income tax	-	-	-	2,00,203	(38,14,32,771)	(38,12,32,568)
Profit for the year	-	-	1,39,72,680	-	-	1,39,72,680
Balance as at March 31, 2020	5,98,02,250	10,63,12,074	4,95,78,668	2,00,203	(34,41,61,427)	(12,82,68,232)
Balance as at April 1, 2020	5,98,02,250	10,63,12,074	4,95,78,668	2,00,203	(34,41,61,427)	(12,82,68,232)
Prior Period Adjustments	-	-	-	-	-	-
Net Balance as at April 1, 2020	5,98,02,250	10,63,12,074	4,95,78,668	2,00,203	(34,41,61,427)	(12,82,68,232)
Other comprehensive income for the year, net of income tax	-	-	-	3,43,814	16,61,42,424	16,64,86,237
Profit/(loss) for the year	-	-	(3,50,17,651)	-	-	(3,50,17,651)
Balance as at March 31, 2021	5,98,02,250	10,63,12,074	1,45,61,017	5,44,017	(17,80,19,003)	32,00,355

The accompanying Notes 1 to 56 forms integral part of these Financial Statements  
This is the Statement of Changes in Equity referred to in our report of even date

As per our report of even date attached  
for GOYAL NAGPAL & CO.  
Chartered Accountants  
FRN: 048289C

For and on behalf of the Board of Directors

(CA Virender Nagpal)  
Partner  
M.No. 416034  
Date: 25-06-2021  
Place: Delhi  
UDIN : 2141604AAAAGI3775

Vivek Garg  
Managing Director  
DIN: 00255443

Charan Kumar  
Chief Financial Officer

Vijay Kumar Sharma  
Whole time Director & CEO  
DIN : 08721883

Monika Soni  
Company Secretary

**VIKAS LIFECARE LIMITED**  
**(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)**  
**CIN: U25111DL1995PLC073719**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES**

**1 Company Information**

Vikas Lifecare Limited (Formerly Known as Vikas Multicorp Limited) (the Company) is a public company domiciled in India and is incorporated under the provisions of the companies act applicable in India. Its shares are listed on recognised Bombay stock exchange and National Stock Exchange in India. The registered office of the company is located at G-1, 34/1, Vikas House, East Punjabi Bagh, New Delhi-110052. The Company is principally engaged in the business of Manufacturer and Trader of Plastic, polymer and chemicals and Plastic Products. Company has also started dealing in FMCG Segment in which includes FMCG Products, aluminum foils, processed food products.

**2 Significant accounting policies**

**2.01 Basis of compliance**

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

**2.02 Basis of preparation and presentation**

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

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

**2.03 Critical accounting estimates, assumptions and judgements**

The preparation of the Standalone Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Standalone Financial Statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

**(i) Estimation of defined benefit obligation**

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**(ii) Estimation of current tax and deferred tax**

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

VIKAS LIFECARE LIMITED  
(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)  
CIN: U25111DL1995PLC073719

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**(iii) Useful lives of depreciable/amortizable assets**

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently the future depreciation charge could be revised and may have an impact on the profit of the future years.

**(iv) Impairment of trade receivables**

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

**(v) Fair value measurement**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (refer note 42).

**(vi) Evaluation of indicators for impairment of assets**

The evaluation of applicability of indicators of impairment of assets is based on assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**vii) Provisions and contingencies**

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigations. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Provisions for litigations are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Standalone Financial Statements. Contingent assets are not disclosed in the Standalone Financial Statements unless an inflow of economic benefits is probable.

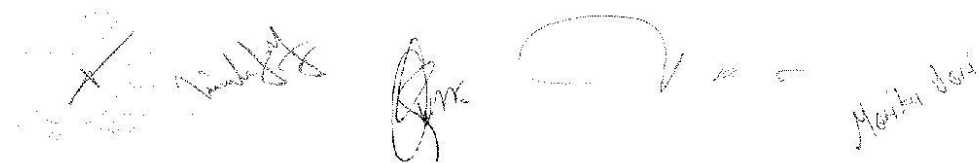
**2.04 Current and non-current classification**

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

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- Current assets includes current portion of non-current of financial assets.

All other assets are classified as non-current.



VIKAS LIFECARE LIMITED  
(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)  
CIN: U25111DL1995PLC073719

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

A liability is current when it is:

- Expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
- Current Liabilities includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

**2.05 Equity, reserves and dividend payment**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Company are recorded separately within equity.

**2.06 Property Plant & Equipment**

**i) Initial recognition and measurement**

An item of property, plant and equipments recognized as an asset if and 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.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful life, they are recognized separately. Items of spare parts, stand-by equipment and servicing equipment which meet the definition of Property, Plant and Equipment are capitalized. Property, Plant and Equipments which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital Work-In-Progress'.

**ii) Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

**iii) De-recognition**

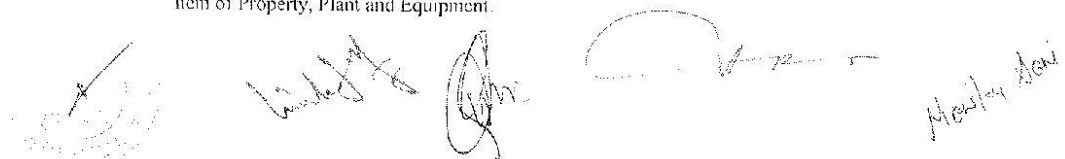
Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

**iv) Revaluation**

Land and Building (Property, Plant and Equipment) are revalued at fair valuation. Surplus from revaluation has been transferred to Revaluation Reserve under the head of Other Equity

**v) Depreciation/amortization**

Depreciation is recognized in profit or loss on a written down value over the estimated useful life of each item of Property, Plant and Equipment.



**VIKAS LIFECARE LIMITED**  
**(FORMERLY KNOW AS VIKAS MULTICORP LIMITED)**  
**CIN: U25111DL1995PLC073719**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Depreciation on property, plant and equipment is provided on their estimated useful life as prescribed by Schedule II of Companies Act, 2013 as follows:

1) Buildings	30 years
2) Plant & Machinery	15 years
3) Furniture & Fixtures	10 years
4) Vehicles	08 years
5) Office Equipments	05 years
6) Electrical Installation	10 years
7) Computer	03 years
8) Leasehold Improvements	Over the period of lease

The residual value, useful life and methods of PPE are reviewed at each financial year end and adjusted prospectively.

**2.07 Capital work-in-progress**

The cost of self-constructed assets includes the cost of materials & direct labour, borrowing costs, any other costs directly attributable to bring the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

**2.08 Intangible assets**

**i) Initial recognition and measurement**

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have infinite useful lives, are recognized at cost less accumulated impairment losses, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

**ii) Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

**iii) De-recognition**

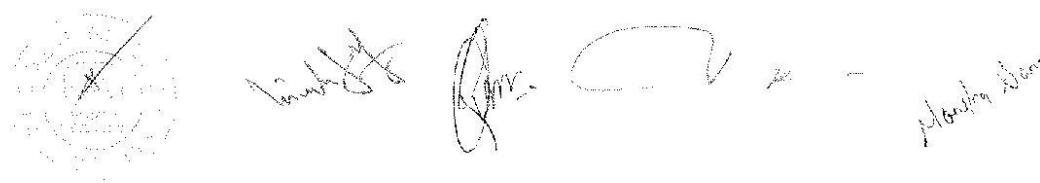
An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

**iv) Amortization**

Amortization is made at useful life of Intangible Assets at Stright line method

**2.09 Impairment of property, plant and equipment, other intangible assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company of assets (cash generating units). If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and the same is accordingly reversed in the statement of profit and loss.

The block contains several handwritten signatures and a circular stamp. On the left is a circular stamp with some text inside. To its right are three distinct handwritten signatures. Further right is another signature that appears to be 'Mandya Sharma'. The signatures are in dark ink on a white background.

**VIKAS LIFECARE LIMITED**  
**(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)**  
**CIN: U25111DL1995PLC073719**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**2.10 Investment Property**

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on building is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013.

**2.11 Inventories**

Inventories are valued at the lower of cost or net realisable value. The cost of inventories is based on the first-in-first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Cost incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: Purchase cost on first-in-first out basis
- Finished goods and work in progress: Cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs
- Inventory related to real estate division: Valued at cost incurred

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses

Raw materials, components and other supplies held for use in production of finished goods are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Obsolete, slow moving, defective inventories, shortage/ excess are identified at the time of physical verification of inventories and wherever necessary provision/ adjustment is made for such inventories.

**2.12 Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

**2.13 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**i) Financial assets:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

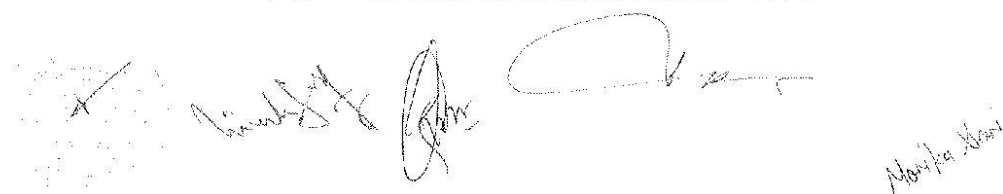
**a) Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**b) Subsequent measurement**

Financial assets are subsequently classified and measured at:

- Financial assets at amortised cost
- Financial assets at fair value through profit and loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVTOCI).



**VIKAS LIFECARE LIMITED**  
**(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)**  
**CIN: U25111DL1995PLC073719**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**c) Equity Instruments:**

All investments in equity instruments in entities other than subsidiaries and joint ventures are measured at fair value. Equity instruments if held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment as the company transfers cumulative gain or loss within the equity.

Equity instruments if classified as FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**d) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the asset.

**e) Impairment of Financial Asset**

Expected credit losses are recognized for all financial assets subsequent to initial recognition in Statement of Profit and loss.

For recognition of impairment loss on financial assets other than Trade receivables, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide impairment loss. However, if credit risk is increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves to such extent that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12- Month ECL.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

**ii) Financial liabilities**

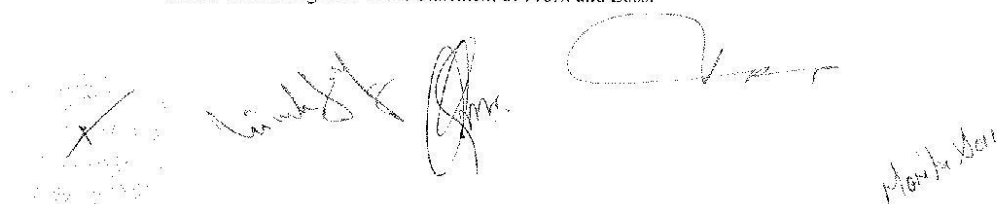
**a) Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**b) Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. Trade and other payables maturing within one year from the balance sheet date are carried at transaction value and the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

The bottom of the page features several handwritten signatures and initials in dark ink. On the left, there is a signature that appears to be 'S. K. Singh'. In the center, there are two more signatures, one of which is more stylized and possibly 'R. Singh'. To the right of these, there is a large, loopy signature that could be 'V. K. Singh'. Further right, there is a signature that looks like 'M. K. Singh'. At the bottom right, there is a handwritten note that says 'M. K. Singh'.

VIKAS LIFECARE LIMITED  
(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)  
CIN: U25111DL1995PLC073719  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

c) De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**2.14 Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**2.15 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.

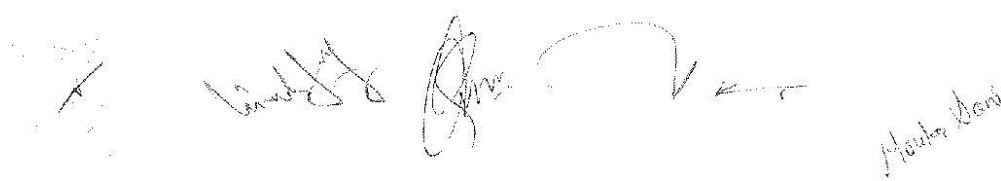
The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A 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 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 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. The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

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**2.16 Impairment of Financial Assets**

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a company of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind-AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**2.17 Provisions, Contingent Liabilities and Contingent Assets**

Provision are measured at the Present value of the management's best estimate (these estimated are reviewed at each reporting date and adjusted to reflect the current best estimate) of the expenditure required to settle the present obligation at the end of reporting period. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which is not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or estimate of the amount cannot be measured reliably.

No contingent asset is recognized but disclosed by way of notes to accounts only when its recognition is virtually certain.

**2.18 Revenue Recognition**

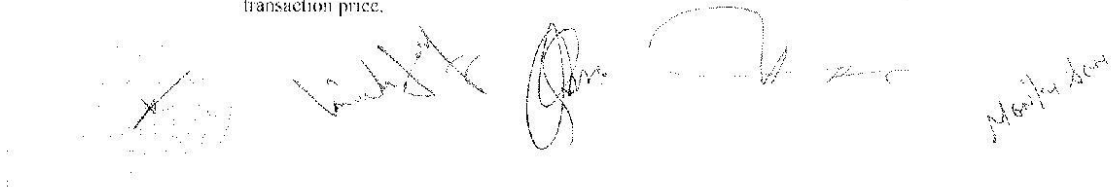
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Amount of sales are net of goods and service tax, sale returns, trade allowances and discounts but inclusive of excise duty.

Effective 01 April 2018, the company adopted Ind AS 115 "Revenue from Contracts with customers" using the modified retrospective method. Under the modified retrospective method, an entity applies Ind AS 115 only for contracts that are not completed on or before 31 March 2018.

To determine whether to recognize revenue, the company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

The company considers the terms of the contract and its customary business practice to determine the transaction price.

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

In all cases, the total transaction price is allocated amongst the various performance obligations based on their relative standalone selling price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Revenue is recognised either at a point in time or over time, when (or as) the company satisfies performance obligations by transferring the promised goods or services to its customers.

For each performance obligation identified the company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at point in time. If any entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.

A receivable is recognised where the company's right to consideration is unconditional (i.e. any passage of time is required before payment if the consideration is due).

When either party to a contract has performed, an entity shall present the contract in the balance sheet as contract asset or contract liability, depending on the relationship between the entity's performance and the customer's payment.

While this represents significant new guidance, the implementation of this new guidance had no impact on the timing or amount of revenue recognised by the company in any year.

Company continues to account for export benefits on accrual basis.

Other income

All other income is recognized on accrual basis when no significant uncertainty exists on their receipt.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

Dividends

Income from dividend on investments is accrued in the year in which it is declared, whereby the company's right to receive is established.

**2.19 Non-current assets held for sale and discontinued operations**

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Standalone Balance Sheet.

**2.20 Foreign Currency Conversions/Transactions**

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transactions. Gains and losses arising out of subsequent fluctuations are accounted for on actual payments or realisations as the case may be. Monetary assets and liabilities denominated in foreign currency as on Balance Sheet date are translated into functional currency at the exchange rates prevailing on that date and Exchange differences arising out of such conversion are recognised in the Statement of Profit and Loss.

**2.21 Income Taxes**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to any business combination or to an item which is recognised directly in equity or in other comprehensive income.

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**a) Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**b) Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

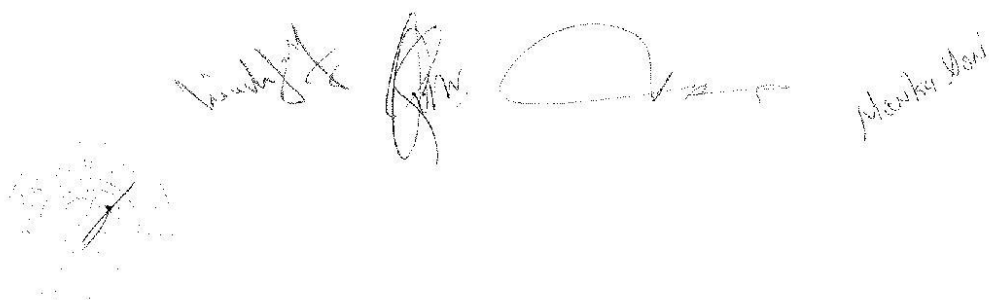
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable company Group and the same taxation authority.

During the year, the Company decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/remeasured using the new tax rate.

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**e) Minimum Alternate Tax (MAT)**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset.

The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

**2.22 Employee Benefits**

**i) Short Term Employee Benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**ii) Post-Employment benefits**

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). Company has identified two types of post employment benefits:

**a) Defined contribution plans**

Defined contribution plans are those plans in which the company pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation beyond the monthly contributions and are recognised as an expenses in Statement of Profit & Loss.

**b) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit to employees is discounted to determine its present value.

The calculation is performed annually by a qualified actuary using the projected unit credit method. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Any actuarial gains or losses pertaining to components of re-measurements of net defined benefit liability(asset) are recognized in OCI in the period in which they arise.

**2.23 Borrowing Cost**

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the company incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.



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**2.24 Earning Per Share**

Basic Earning Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

**2.25 Leases**

The Company has adopted Ind AS 116 effective from April 1, 2019 using modified retrospective approach. For the purpose of preparation of Standalone Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31, 2020. Accordingly the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a defined period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, The Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

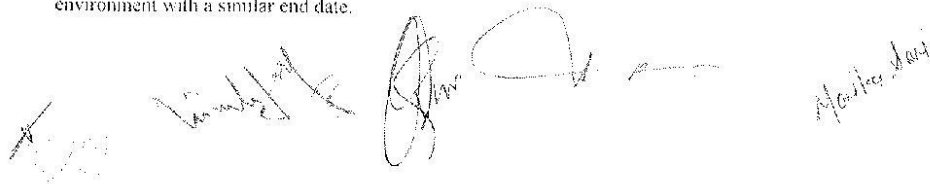
The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option;

The lease liability is measured at amortised cost using the effective interest method

The Company has elected not to recognise right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.



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**2.26 Statement of Cash Flows**

Statement of cash flows is prepared in accordance with the Indirect method prescribed in Ind AS-7 'Statement of cash flows'.

**2.27 Segment reporting**

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director and Chief Executive Officer (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

**2.28 Dividend**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**Recent Indian Accounting Standard (Ind AS) and note on COVID-19**

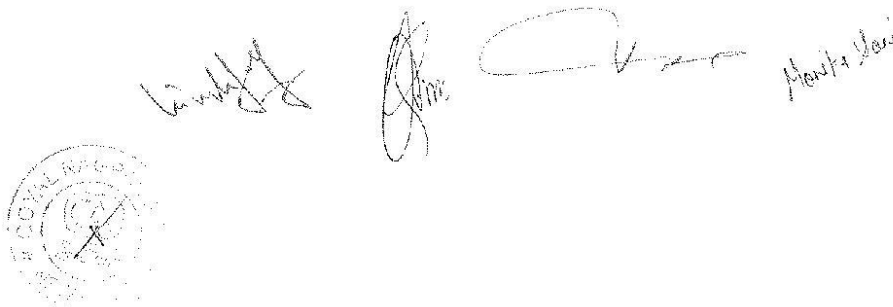
**2.29 Recent accounting pronouncements which are not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

**2.30 Note on Covid-19**

The production of manufacturing operations has recovered after the initial phases of the lockdown as customers' own operations recommenced.

The Company has taken into account potential impacts of COVID-19 in the preparation of the financial Statements. Based on the information currently available there is no material impact on carrying amounts of inventories, trade receivables, investments and other financial assets though management continues to monitor changes in future economic conditions. The impact of COVID-19 on the Standalone Financial Statements may differ from that estimated as at the date of approval of these Standalone Financial Statements.



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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**3 Property, Plant and Equipment**

(Amount in Rs.)

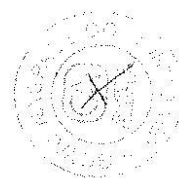
Particulars	Land**	Buildings*	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Total
<b>Gross Block</b>							
Balance as at April 1, 2020	97,75,412	68,11,537	2,68,93,351	8,08,788	1,35,27,886	81,985	5,78,98,959
Additions	-	-	35,66,015	-	1,16,54,465	4,79,184	1,46,99,664
Disposals/Transfer	-	-	-	-	-	-	-
Balance as at March 31, 2021	97,75,412	68,11,537	2,94,59,366	8,08,788	2,51,82,351	5,61,169	7,25,98,623
<b>Accumulated Depreciation :</b>							
Balance as at April 1, 2020	-	46,86,316	82,55,036	6,93,639	90,48,271	57,783	2,27,41,045
Depreciation charge during the period	-	1,06,261	57,24,727	3,695	19,78,644	42,003	58,55,330
Previous year balance adjustment	-	(6,75,385)	-	-	-	-	(6,75,385)
Balance as at March 31, 2021	-	41,16,992	1,19,79,763	6,97,334	1,10,26,915	99,786	2,79,20,790
<b>Net Carrying Value</b>							
Balance as at March 31, 2021	97,75,412	26,94,545	1,74,79,603	1,11,454	1,41,55,436	4,61,384	4,46,77,833
Balance as at March 31, 2020	97,75,412	21,25,221	1,86,39,315	1,15,149	44,79,615	24,202	3,51,57,914

\* Building No. F-4, First floor, 34/1, East Punjabi Bagh, New Delhi-110026 hypothecated against cash credit limit from Union Bank of India

\*\* Land Include Property at SIDDCO, Shamba Jammu and Kashmir Land at Khadar No. 4 I/4, Sultanpur Dabas, Delhi-110084, which is in the name of M/s Vikas Ecodech Limited. The said land was transferred to M/s Vikas Multicorp Limited vide Demerger of M/s Vikas Ecodech Limited. Further such land is hypothecated against Cash credit Limit availed by M/s Vikas Ecodech Limited under consortium finance by M/s Punjab National Bank, State Bank of India and Bank of Baroda.





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NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
4 Investment Property

(Amount In Rs.)

Particulars	Freehold Land	Buildings	Total
<b>Year Ended March 31, 2020</b>			
Gross carrying amount at the Beginning	-	4,67,19,303	4,67,19,303
Additions / Deletion	-	(4,67,19,303)	(4,67,19,303)
Addition on account of Conversion of Stock in Trade into Investment in Property *	4,60,08,000	2,09,86,061	6,69,94,061
<b>Gross carrying amount at the end of Reporting Period</b>	<b>4,60,08,000</b>	<b>2,09,86,061</b>	<b>6,69,94,061</b>
<b>Accumulated Depreciation :</b>			
Accumulated depreciation at the Beginning	-	44,97,771	44,97,771
Depreciation charge during the year	-	21,01,974	21,01,974
Disposals / Adjustments	-	(55,53,309)	(55,53,309)
Accumulated depreciation and Impairment at the end of Reporting Period	-	10,46,436	10,46,436
<b>Net Carrying amount March 31, 2020</b>	<b>4,60,08,000</b>	<b>1,99,39,625</b>	<b>6,59,47,625</b>
<b>Gross Block</b>			
Balance as at April 1, 2020	4,60,08,000	2,09,86,061	6,69,94,061
Additions	57,68,771	80,38,589	1,38,07,360
Deletion	-	-	-
<b>Balance as at March 31, 2021</b>	<b>5,17,76,771</b>	<b>2,90,24,650</b>	<b>8,08,01,421</b>
<b>Accumulated Depreciation :</b>			
Balance as at April 1, 2020	-	10,46,436	10,46,436
Depreciation charge during the period	-	16,63,442	16,63,442
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>27,09,878</b>	<b>27,09,878</b>
<b>Net Carrying Value</b>			
<b>Net Carrying amount March 31, 2021</b>	<b>5,17,76,771</b>	<b>2,63,14,772</b>	<b>7,80,91,543</b>
<b>Net Carrying amount March 31, 2020</b>	<b>4,60,08,000</b>	<b>1,99,39,625</b>	<b>6,59,47,625</b>

Information regarding income and expenditure of Investment Property

Particulars	As at March 31, 2021	As at March 31, 2020
Rental income derived from investment properties	43,01,277	24,95,668
Direct operating expenses (including repairs and maintenance) generating	(2,68,420)	-
Profit arising from investment properties before depreciation and indirect	40,32,857	24,95,668
Depreciation	(16,63,442)	(21,01,974)
Profit arising from investment properties before indirect expenses	23,69,415	3,93,694

a. **Disclosures relating to fair valuation of investment property**

Fair value of the above investment property as at March 2021 is Rs 6.86 Cr. ( Previous Year March 31, 2020 is ` 5.88 crore) based on external valuation

**Fair Value Hierarchy**

The fair value of investment property has been determined by external independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

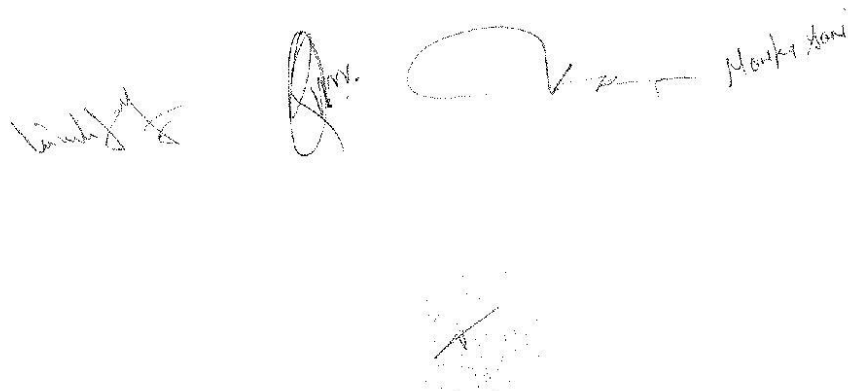
The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation techniques used.

**Description of valuation technique used**

The Company obtains independent valuations of its investment property after every three years. The fair value of the investment property have been derived using the Direct Comparison Method. The direct comparison approach involves a comparison of the investment property to similar properties that have actually been sold in arms-length distance from investment property or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment property; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment property

b. **Premises given on lease:**

The Company has given investment property ( land and building) on operating lease for 3 years and is renewable for further as per mutually agreeable terms.

The block contains several handwritten signatures and a circular stamp. On the left, there is a signature that appears to be 'Vishal'. In the center, there is a signature that appears to be 'A. V.' and another signature that appears to be 'M. K. S.' to its right. Below these, there is a circular stamp with some text inside, which is partially illegible but seems to contain the word 'Stamp'.

VIKAS LIFECARE LIMITED  
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rs.)					
5 Investments	Nominal Value per share	Number of shares		Amount	
		As at March 31, 2020	As at 31-Mar-2021	As at 31-Mar-2020	As at 31-Mar-2021
<u>Investments stated at Fair Value through Other Comprehensive Income</u>					
<u>Investment in Equity Instruments (Quoted)*</u>					
-Vikas Ecotech Limited	1	3,69,13,548	2,02,67,561	4,06,04,903	3,32,38,800
<u>Investments stated at Cost</u>					
<u>Investments in Partnership Firm</u>					
-Ravi Crop Science				5,88,09,635	6,07,43,564
Less: Amount transferred to Other Non Current Financial Assets due to Dissolution of Partnership Firm				-	(6,07,43,564)
<u>Total Non-current Investments</u>				9,94,14,538	3,32,38,800

\* Investments includes 40,00,000 equity shares of M/s Vikas Ecotech Limited fraudulently transferred by Asitva capital market private limited to M/s Argent Invest private limited. Company has filed complaint against M/s Asitva capital Market Private Limited vide CNR No. UPGB000000032021 Dated 15.01.2021. The above matter status is pending before court

Particulars		
* Quoted Investment Carried at amortized Cost	-	-
Quoted Investment Carried at Fair Value through Comprehensive Income	4,06,04,903	3,32,38,800
Unquoted Investment Carried at carrying value	5,88,09,635	-
Aggregate amount of impairment in value of investments	(27,50,05,933)	-

*[Handwritten signatures and stamps]*

VIKAS LIFECARE LIMITED  
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

6 Loans

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Security Deposit</b>		
Unsecured, Considered good		
- ONGC Petro Additions Limited	80,00,000	1,80,00,000
<b>Total</b>	<b>80,00,000</b>	<b>1,80,00,000</b>

7 Trade Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, Considered good</b>		
- from related parties	-	-
- from others	28,33,59,842	59,99,00,734
<b>Credit Impaired</b>		
- from others	3,14,84,427	2,72,22,825
Less: Allowance for expected credit loss	(3,14,84,427)	(2,72,22,825)
<b>Total</b>	<b>28,33,59,842</b>	<b>59,99,00,734</b>

- (i) The Company has appropriate levels of control procedures for new customers which ensures the potential customer's credit quality.  
(ii) Trade receivables have been offered as security against the working capital facilities provided by the bank.

(iii) Allowances for expected credit loss

	As at March 31, 2021	31st March, 2020
Balance at the beginning of the year	2,72,22,825	1,89,05,367
Add : Provision during the period	42,61,602	83,17,458
Balance at the end of period	<b>3,14,84,427</b>	<b>2,72,22,825</b>

8 Other financial assets

Particulars	As at March 31, 2021	31st March, 2020
Fixed Deposits with banks*	3,30,10,000	4,30,10,000
<b>Other Receivables</b>		
Ravi Crop Science	6,07,43,564	-
<b>Total</b>	<b>9,37,53,564</b>	<b>4,30,10,000</b>

\* Bank Deposits held as margin money with more than maturity of Twelve Months.

*[Handwritten signatures and stamps are present in this section, including a large circular stamp and several handwritten notes.]*

VIKAS LIFECARE LIMITED  
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9 Deferred tax assets/Liabilities (Net)

(Amount in Rs.)

Particulars	As at March 31, 2021	31st March, 2020
<b>Tax effect of items constituting deferred tax asset</b>		
Accelerated depreciation	(18,27,691)	22,24,035
Provision for doubtful debts and advances	10,72,561	-
Remeasurement of Defined benefit plan	61,954	62,336
<b>Total (a)</b>	<b>(6,93,176)</b>	<b>22,86,371</b>
<b>Tax effect of items constituting deferred tax liability</b>		
Ind AS Adjustments	(1,20,799)	(64,224)
<b>Total (b)</b>	<b>(1,20,799)</b>	<b>(64,224)</b>
<b>Tax Credits</b>		
MAT Credit Entitlement	-	-
<b>Total (c)</b>	<b>-</b>	<b>-</b>
<b>Total Assets/ (Liability) (a)-(b)+(c)</b>	<b>(8,13,975)</b>	<b>22,22,147</b>

Reconciliation of Deferred Tax (Net)

Particulars	As at March 31, 2021	31st March, 2020
Opening Balance	22,22,147	55,94,785
Tax (income)/expense during the year recognised in profit or loss	(29,15,323)	(33,08,414)
Tax (income)/expense during the year recognised in OCI	(1,20,799)	(64,224)
MAT Credit Entitlement	-	-
<b>Closing balance of deferred Tax</b>	<b>(8,13,975)</b>	<b>22,22,147</b>

10 Other non current assets

Particulars	As at March 31, 2021	31st March, 2020
<b>Capital Advances</b>		
Unsecured, considered good	1,53,60,000	19,00,000
Doubtful *	37,75,000	-
Less: Allowance for expected credit loss	(37,75,000)	-
	1,53,60,000	19,00,000
<b>Statutory Receivables</b>		
- Unsecured Considered good	2,76,094	5,01,410
<b>Total</b>	<b>1,56,36,094</b>	<b>24,01,410</b>

\* During the year company has made capital advance of Rs 1,51,00,000/- which is doubtful to the extent of 25% due to expiration of agreement and non compliance of terms and conditions mentioned therein.

11 Inventories

Particulars	As at March 31, 2021	31st March, 2020
<b>Inventories* (Valued at lower of cost or net realisable value on FIFO basis except Real Estate Division valued at cost)</b>		
Raw Materials	10,70,72,168	7,84,01,842
<b>Finished Goods</b>		
Real Estate Division	1,70,59,462	1,77,70,612
Manufacturing Division	41,37,755	36,91,486
Packing Material	-	2,44,225
Stock in Trade - Traded Goods	14,34,46,592	20,31,93,856
<b>Total</b>	<b>27,17,15,977</b>	<b>30,33,02,021</b>

\* Inventories (excludes Real estate division) have been offered as security against the working capital facilities provided by the bank

VIKAS LIFECARE LIMITED  
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12 Trade Receivables

(Amount in Rs.)

Particulars	As at March 31, 2021	31st March, 2020
Unsecured, Considered good - from others	42,92,25,343	1,16,23,70,969
<b>Total</b>	<b>42,92,25,343</b>	<b>1,16,23,70,969</b>

\* Trade receivables have been offered as security against the working capital facilities provided by the bank.

13 Cash and Cash Equivalents

Particulars	As at March 31, 2021	31st March, 2020
Balances with banks - Current Accounts	8,55,120	8,44,431
Cash on hand	10,20,122	13,15,537
Cheques in hand	-	11,660
<b>Total</b>	<b>18,75,242</b>	<b>21,71,628</b>

\* Non cash transactions

The Company has not entered into any non cash investing and financing activities

14 Loans

(Amount in Rs.)

Particulars	As at March 31, 2021	31st March, 2020
<b>Security Deposits</b>		
Unsecured, Considered good	2,00,000	50,000
<b>Advances to Employees</b>		
Unsecured, Considered good	2,74,000	-
<b>Total</b>	<b>4,74,000</b>	<b>50,000</b>

15 Other Financial Assets

Particulars	As at March 31, 2021	31st March, 2020
Interest Receivable	44,11,453	57,85,309
<b>Other Receivables</b>		
Unsecured, considered good		
Inter Corporate Deposit	53,83,178	-
Others	2,47,44,244	11,67,748
<b>Total</b>	<b>3,45,38,875</b>	<b>69,53,057</b>

16 Other Current Assets

Particulars	As at March 31, 2021	31st March, 2020
<b>Advance to Suppliers</b>		
Advances to other than related parties	18,90,90,139	19,61,72,851
Prepaid Expenses	8,53,334	10,45,201
<b>Statutory Receivables</b>		
Unsecured, considered good	49,81,671	88,21,914
<b>Total</b>	<b>19,49,25,144</b>	<b>20,60,39,966</b>

*[Handwritten signatures and initials are present below the table, including "Nandha", "Raj", "K", and "Moulika"]*

VIKAS LIFECARE LIMITED  
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

17 Share Capital

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Authorised Share Capital</b>		
67,00,00,000 shares (March 31, 2020 67,00,00,000) Equity Shares of ₹ 1/- each	67,00,00,000	67,00,00,000
<b>Issued Share Capital:</b>		
66,34,95,495 shares (March 31, 2020 66,34,95,495) Equity Shares of ₹ 1/- each	66,34,95,495	66,34,95,495
<b>Subscribed and fully paid up:</b>		
66,34,95,495 shares (March 31, 2020 66,34,95,495) Equity Shares of ₹ 1/- each	66,34,95,495	66,34,95,495
	<b>66,34,95,495</b>	<b>66,34,95,495</b>

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Numbers of shares	Amount	Numbers of shares	Amount
Balance at the beginning of the period	66,34,95,495	66,34,95,495	66,34,95,495	66,34,95,495
Change in equity share capital during the period	-	-	-	-
Balance at the end of reporting period	66,34,95,495	66,34,95,495	66,34,95,495	66,34,95,495

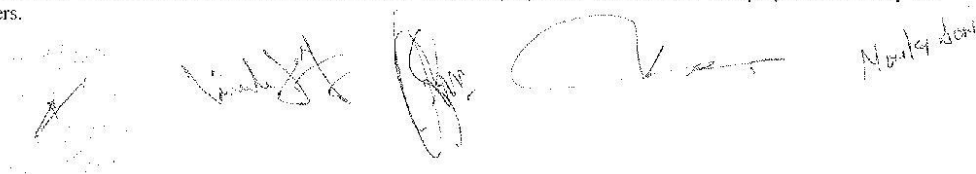
(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Vinod Kumar Garg	41,720	0.01%	6,79,41,720	10.24%
Vikas Garg	11,27,34,851	16.99%	15,93,76,309	24.02%
Seema Garg	7,307	0.00%	6,95,12,175	10.48%
Best Agrolife Limited	-	-	3,83,21,019	5.78%

(iii) Terms / rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Every member holding equity shares therein shall have voting rights in proportion to his shares of the paid up equity share capital. The Company declares and pay dividend in Indian rupees.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



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18 Other Equity

Particulars	(Amount in Rs.)	
	As at 31st March 2021	As at 31st March 2020
(a) Reserve and Surplus		
(i) Capital Reserve	5,98,02,250	5,98,02,250
(ii) Security Premium	10,63,12,074	10,63,12,074
(iii) Retained Earnings	1,45,61,017	4,95,78,668
(b) Other comprehensive income	(17,74,74,986)	(34,39,61,224)
Total other equity	32,00,355	(12,82,68,232)

a) Reserve and Surplus

i) Capital Reserve

Particulars	As at 31st March 2021
As at April 1, 2019	5,98,02,250
Increase/(decrease) during the year	
At March 31, 2020	5,98,02,250
Increase/(decrease) during the year	
As at March 31, 2021	5,98,02,250

ii) Securities Premium

Particulars	As at 31st March 2021
As at April 1, 2019	10,63,12,074
Increase/(decrease) during the year	-
At March 31, 2020	10,63,12,074
Increase/(decrease) during the year	-
As at March 31, 2021	10,63,12,074

iii) Retained earnings

Particulars	As at 31st March 2021
As at April 1, 2019	3,56,35,988
Add: Profit for the year	1,39,72,680
As At March 31, 2020	4,95,78,668
Add: Profit/(Loss) for the year	(3,50,17,651)
As at March 31, 2021	1,45,61,017

(b) Other Comprehensive Income

Particulars	As at 31st March 2021
As at April 01, 2019	3,72,71,341
Changes in fair value of equity instruments at FVTOCI (net of tax)	(38,14,32,771)
Remeasurement of Defined benefit plans (net of tax)	2,00,203
As at March 31, 2020	(34,39,61,224)
Changes in fair value of equity instruments at FVTOCI (net of tax)	16,61,42,424
Remeasurement of Defined benefit plans (net of tax)	3,43,814
As at March 31, 2021	(17,74,74,986)

**Capital Reserve**

The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve

**Securities Premium Reserve**

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium Reserves."

**Retained Earnings**

Retained Earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

**Other comprehensive income**

This reserve represent the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

*[Handwritten signatures and notes are present in this section, including a signature that appears to read "Munish Beri" on the right side.]*

**VIKAS LIFECARE LIMITED**  
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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**19 Borrowings**

**Financial Liabilities**

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Borrowings-Term loans - Secured*</b>		
a. From Non banking Financial institutions	3,47,07,117	3,45,03,932
b. From Bank	58,18,576	-
<b>Borrowings- Unsecured</b>		
a. Loans from Related Parties		
- From Directors	10,92,65,763	88,91,308
b. Inter Corporate Deposits	1,22,14,521	1,15,72,260
<b>Total</b>	<b>16,20,05,977</b>	<b>5,49,67,500</b>

\* The company has opted Moratorium facility which is announced by RBI due to COVID-19 pandemic With respect to payment of Instalments due in between March to August 2020.

**Disclosure of repayment terms**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Term Loans</b>		
<b>Secured</b>		
<b>Loans against vehicles</b>		
1. Axis Bank Ltd	27,40,093	-
1. ICICI Bank Ltd	50,00,000	-
<b>Loan against Properties</b>		
1. Tata Capital Housing Finance Limited	3,73,19,208	3,71,37,782

**Secured loan from Banks**

- Axis Bank Secured against Includes hypothecation against car. The loan is repayable in 36 equal monthly installment of Rs. 1,05,372/- each. The remaining maturity period is 30 Months from Balance sheet Date.

- ICICI Bank Secured against Includes hypothecation against car. The loan is repayable in 60 equal monthly installment of Rs.1,01,338 /- each. The remaining maturity period is 60 Months for Balance sheet Date.

**Secured loan from Non banking Financial institutions**

- Tata Capital Housing Finance Limited Secured against hypothecation of two Properties at Goregaon, Maharashtra. The loan is repayable in 120 equal monthly installment of Rs. 5,40,148/- each. The Period of Maturity from the balance sheet date is Ninety Six month.

*(Signatures)*

**VIKAS LIFECARE LIMITED**  
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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

20 Provisions		(Amount in Rs.)	
Particulars	As at 31st March, 2021	As at 31st March, 2020	
Provision for Gratuity	6,72,451	7,79,343	
<b>Total</b>	<b>6,72,451</b>	<b>7,79,343</b>	

**21 Other non current liabilities**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Contract Liabilities</b>		
Advance received from Customers	-	5,08,44,316
<b>Total</b>	<b>-</b>	<b>5,08,44,316</b>

**22 Borrowings**

**Financial Liabilities**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Borrowings (Secured)</b>		
From Banks	25,10,27,390	34,72,14,611
<b>Total</b>	<b>25,10,27,390</b>	<b>34,72,14,611</b>

**Disclosure of repayment terms**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Secured (From Banks)</b>		
<b>Working Capital Loans</b>		
Bank overdrafts and Cash Credit Facilities		
1. Union Bank of India-406305040130147	10,38,59,339	-
2. State Bank of India-37744645791	5,31,15,755	-
3. Punjab National Bank-1529008700080844	7,55,92,488	-
4. Punjab National Bank-FITL-152900CP00000130	17,97,537	10,76,76,553
5. Union Bank of India-FITL	-	13,91,17,731
6. Union Bank of India-CELC	66,62,271	10,04,20,326
7. Union Bank of India UGECL	1,00,00,000	-

**Secured loan from banks (Overdraft and Cash Credit)**

1 Secured from Bank Includes Working Capital loan from Union Bank of India-406305040130147 which is hypothecated against Inventories, Fixed Deposits, Book Debts and Various immovable assets owned by directors and its relatives. The loan is carrying at the interest Rate of 10.30 % p.a

2 Secured from Bank Includes Cash Credit Limit from State Bank of India-37744645791 hypothecation of stock and book receivables belonging of ONGC Petro Additions Limited. The loan is disbursed @ 8.90 %

*Handwritten signatures and stamps:*  
 - A large handwritten signature "Ankur" is written across the middle.  
 - To the right, "Ankur Dori" is written.  
 - Below the signature, there is a circular official stamp of Vikas Lifecare Limited.

**VIKAS LIFECARE LIMITED**  
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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

3 Secured from Bank Includes Cash Credit Limit from Punjab National Bank-1529008700080844 hypothecation against book receivables, ILC, FLC of Vikas multicorp Limited and Corporate Gurantee in the form of immovable property owned by M/s Stepping Stone Constructions Private Limited. Further the Loan from Punjab national Bank is under Multiple Banking arrangement with Union Bank of India. The loan is carrying at the rate of Interest 11.95 % P.a

4 Funded Interest Term Loan (FITL) from the Punjab National Bank-152900CF00000130 is repayable in Three monthly Installments. The remaining Maturity of Such loan is 2.5 month from the Balance sheet Date. The Interest chargeable between the moratorium period was converted to FITL and repayable in three equal monthly Installments starting from January 2021 and ending on March 2021

5 Funded Interest Term Loan (FITL) from the Uniona Bank of India-406306350000008 is repayable in Six monthly Installments. The remaining Maturity of Such loan is 2.5 month from the Balance sheet Date. The Interest chargeable between the moratorium period was converted to FITL and repayable in Six equal monthly Installments starting from December 2020 and ending on March 2021.

6 Secured from Bank Includes Credit Emergency Credit Line (CELC) from Union Bank of India- 4063063900000266 ,which is hyphthecated against Inventories, Fixed Deposits, Book Debts and Various immovable assets owned by directors and its relatives. The loan is carrying at the interest Rate of 8.00 % P.a.

7 Secured from Bank Includes Union Guaranteed Emergency Credit Line from Union Bank of India-406306990000033 which is repayable in 12 equal Monthly Installments after moratorium of one Year from the date of disbursement. Total remaining period after the balance Sheet date is 12 Month. The loan is carrying at the interest Rate of 7.50 % P.a.

**23 Trade Payables**

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of micro & small enterprises	24,52,53,136	28,34,71,326
Total outstanding dues of creditors other than micro, & small enterprises	13,13,12,252	1,22,28,88,178
<b>Total</b>	<b>37,65,65,388</b>	<b>1,50,63,59,504</b>

- All Trade payables are non-interest bearing
- According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Note No. 55.
- The MSME Creditors includes related party of M/s Vikas Ecotech Limited

**24 Other Financial Liabilities**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Security Deposit Received*</b>		
Unsecured, Considered good	29,90,569	21,39,144
<b>Current Maturity of long term debt**</b>		
1. Axis Bank Limited	10,72,473	-
2. ICICI Bank Limited	8,49,044	-
3. Tata Capital Housing Finance Limited	26,12,091	33,26,690
<b>Total</b>	<b>75,24,177</b>	<b>54,65,834</b>

\* Security Deposit received against against rented Premises

\*\* .Repayment terms and conditions are same as mentioned in note no. 22



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VIKAS LIFECARE LIMITED  
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25 Provisions

(Amount in Rs.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Gratuity	68,203	1,20,420
<b>Total</b>	<b>68,203</b>	<b>1,20,420</b>

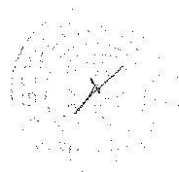
26 Other Current Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Statutory dues	10,88,849	10,32,218
<b>Contract Liabilities</b>		
Advance from customers	87,38,810	3,71,25,620
<b>Other Payables</b>		
Salary & Wages payable	5,37,203	8,21,096
Expenses payable	8,75,933	7,30,459
<b>Total</b>	<b>1,12,40,795</b>	<b>3,97,09,393</b>

27 Current Tax Liabilities (Net)

Particulars	As at 31st March, 2021	31st March, 2020
Income Tax Payables	1,37,46,945	83,92,223
<b>Total (a)</b>	<b>1,37,46,945</b>	<b>83,92,223</b>
<b>Tax payable/Refundable</b>		
Earlier Provision	62,53,825	-
TDS Receivable and Payment	(71,02,719)	(21,38,398)
<b>Total (b)</b>	<b>(8,48,894)</b>	<b>(21,38,398)</b>
<b>Total (a) + (b)</b>	<b>1,28,98,051</b>	<b>62,53,825</b>

*[Handwritten signatures and initials]*



VIKAS LIFECARE LIMITED  
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28 Revenue from operations

(Amount in Rs.)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Sale of Products	71,19,74,158	1,53,02,70,524
Other Operating Revenues Commission and Others	3,79,71,600	3,10,30,420
<b>Total</b>	<b>74,99,45,758</b>	<b>1,56,13,00,944</b>

a. Reconciliation of sales of products

Particulars	March 31, 2021	March 31, 2020
Revenue from Contract with Customers	71,19,74,158	1,53,64,20,524
Add/ (Less): Adjustments for made to contract price on account of :		
-Discounts/rebate/incentives	-	-
-Sales Return	-	(61,50,000)
<b>Sale of Products</b>	<b>71,19,74,158</b>	<b>1,53,02,70,524</b>

29 Other income

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Interest Income earned from Financial assets at amortised cost</b>		
% On Bank Deposits	17,35,715	86,05,710
% On Loan and Advance	6,63,719	-
<b>Other income</b>		
Export Incentive	-	4,19,853
Foreign Exchange gain	15,17,868	(57,76,593)
Profit on sale of Investment Properties	-	19,34,007
Rental Income	43,01,277	24,95,668
Share in Profit from Partnership Firm (1st April 2020 to 30th Jun, 2020)*	19,33,929	1,38,79,992
<b>Total</b>	<b>1,01,52,508</b>	<b>2,15,58,637</b>

\* From 30th June, 2020 onwards partnership dissolved

30 Cost of Material Consumed

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Opening Stock of Raw Material	7,84,01,842	13,73,82,317
Add : Purchases of Raw Material	26,98,42,088	1,28,55,34,545
Add: Operating Expenses	26,11,356	41,79,159
Less: Closing Stocks of Raw Material	10,70,72,168	7,84,01,842
<b>Total</b>	<b>24,37,83,118</b>	<b>1,34,86,94,179</b>

31 Purchase of Stock in Trade

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Purchases of Traded goods	32,95,29,701	20,38,45,286
Other Operating Expenses	40,23,187	84,24,713
<b>Total</b>	<b>33,35,52,888</b>	<b>21,22,69,999</b>

*[Handwritten signatures and stamps]*

VIKAS LIFECARE LIMITED  
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a. Reconciliation of Purchase Price is as follows

(Amount in Rs.)

Particulars	Year Ended March 31, 2021	March 31, 2020
Contracted Price	37,39,41,441	31,02,78,360
Add/ (Less): Adjustments for :		
- Discounts	(4,35,23,190)	(4,76,94,023)
- Purchase Return	-	(72,57,000)
<b>Purchase of Products</b>	<b>33,04,18,251</b>	<b>25,53,27,337</b>

32 Changes in inventories of finished goods and stock-in-trade

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Inventories at the beginning of the year:</b>		
Finished Goods	36,91,487	-
Stock in trade	20,34,38,080	6,94,50,831
Finished goods of Real Estate Division	1,77,70,612	1,90,59,462
<b>Total (a)</b>	<b>22,49,00,179</b>	<b>8,85,10,293</b>
<b>Inventories at the end of the period :</b>		
Finished Goods	41,37,755	36,91,487
Stock in trade	14,34,46,592	20,34,38,080
Finished goods of Real Estate Division	1,70,59,462	1,77,70,612
<b>Total (b)</b>	<b>16,46,43,809</b>	<b>22,49,00,179</b>
<b>Net Decrease (a-b)</b>	<b>6,02,56,370</b>	<b>(13,63,89,886)</b>

33 Employee benefit expense

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries and Wages	60,33,931	93,83,523
Contributions to provident and other funds	30,404	2,17,651
Gratuity	2,46,162	1,86,089
Staff welfare expenses	2,52,881	1,41,776
<b>Total</b>	<b>65,63,378</b>	<b>99,29,039</b>

34 Finance costs

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Interest expenses</b>		
Interest on Term Loans	1,40,28,031	1,87,42,807
Interest on Working Capital Loans	2,47,60,316	1,94,28,741
Net interest on defined benefit plans	59,342	61,591
<b>Other Borrowing Costs</b>		
Bank and other financial charges	1,46,91,801	1,05,73,845
<b>Total</b>	<b>5,35,39,490</b>	<b>5,01,08,954</b>

35 Depreciation and amortisation expense

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Depreciation on Property, Plant & Equipment	51,79,745	53,15,496
Depreciation on Investment Property	16,63,442	21,01,974
<b>Total</b>	<b>68,43,187</b>	<b>74,17,470</b>

VIKAS LIFECARE LIMITED  
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36 Other Expenses

(Amount in Rs.)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Power and Fuel Expenses	7,01,826	6,69,341
Rent	13,49,000	12,64,500
Repairs & Maintenance	1,43,388	1,21,224
Insurance	7,04,532	5,63,528
Communication expenses	37,817	14,284
Travelling and Conveyance	4,36,175	3,28,505
Printing and Stationery	1,05,496	22,480
Freight and Forwarding	24,55,506	39,72,725
Rates, Fees and Taxes	18,32,284	7,65,270
Security Expenses	6,03,816	6,66,122
Postage & Courier	1,260	54,707
Advertisement & Publicity Expenses	55,286	5,16,474
Legal and Professional Charges	78,85,006	45,38,247
Donation Expenses	72,000	51,000
Payments to Auditors	8,00,000	8,00,000
Allowances for expected credit loss	42,61,603	83,17,458
Allowances for expected credit loss on capital advances	37,75,000	-
Other	28,48,931	19,50,980
<b>Total</b>	<b>2,80,68,927</b>	<b>2,46,16,846</b>

37 Exceptional items

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Balances written Off	(8,15,53,556)	2,40,76,534
Loss on sales of Investments	12,40,42,933	67,42,720
Stock at Godown loss by fire	-	1,03,31,398
<b>Total</b>	<b>4,24,89,377</b>	<b>4,11,50,652</b>

38 Tax Expenses

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Income Tax</b>		
Current Tax on profits for the year	1,37,46,945	83,92,223
Reversal pertaining to prior years	33,56,915	(6,10,990)
<b>Total Current Tax Expenses</b>	<b>1,71,03,860</b>	<b>77,81,233</b>
<b>Deferred Tax</b>		
(Decrease) / increase in deferred tax liabilities	29,15,323	33,08,414
<b>Total Deferred Tax expenses/(benefits)</b>	<b>29,15,323</b>	<b>33,08,414</b>
<b>Total</b>	<b>2,00,19,183</b>	<b>1,10,89,647</b>

Reconciliation of Tax expense and the accounting profit multiplied by India's Tax Rate for the year ended March 31, 2021

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Profit/(Loss) before Income Tax Expenses	(1,49,98,467)	2,50,62,327
Enacted Tax Rate in India	25.17	25.17
Computed Expected Income Tax Expenses	(37,74,814)	63,07,687
Effect of Expenses Disallowed	3,32,21,210	38,77,661
Effect of provision for doubtful debts	20,22,652	20,93,338
Deduction	(1,84,79,885)	(62,12,717)
Tax Impact on Income from House Property	7,57,782	4,39,677
Effect of Prior Period tax	33,56,915	(6,10,990)
Others	-	18,86,578
<b>Total income tax expense recognised for the year</b>	<b>1,71,03,860</b>	<b>77,81,233</b>

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39 Components of Other Comprehensive Income (OCI)

(Amount in Rs.)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
The Disaggregation of changes to OCI by each type of reserve in equity is :	16,61,42,424	(38,14,32,771)
Re-measurement gains (losses) on defined benefit plans	4,64,613	2,64,427
Deferred Tax (Charge)/Reversal	(1,20,799)	(64,224)
Total	16,64,86,238	(38,12,32,568)

40 Earnings per share

(Amount in Rs.)

Particulars	Year Ended March 31, 2021	As at March 31, 2020
Profit/(Loss) attributable to equity share holders	(3,50,17,631)	1,39,72,680
Weighted number of equity shares outstanding during the year (Number in lakhs)	66,34,95,495	66,34,95,495
Par value per share ( in ₹ )	1	1
EPS :		
Basic ( in ₹ )	(0.053)	0.021
Diluted ( in ₹ )	(0.053)	0.021

The company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

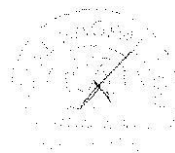
41 Details of CSR expenditure as per Section 135 of Companies Act, 2013:

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
NIL	NA	NA

42 Payments to the Auditors comprises

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
For Statutory Audit	4,00,000	4,00,000
For Tax Audit	3,00,000	3,00,000
For Others	52,000	1,00,000
Total	7,52,000	8,00,000

*[Handwritten signatures and initials]*



VIKAS LIFECARE LIMITED  
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

43 Defined Benefit Obligation

(Amount in Rs.)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Gratuity	68,203	6,72,451	1,20,420	7,79,343
<b>Total</b>	<b>68,203</b>	<b>6,72,451</b>	<b>1,20,420</b>	<b>7,79,343</b>

A Disclosure of gratuity

(i) Amount recognised in the statement of profit and loss is as under:

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Current service cost	2,46,162	1,86,089
Net interest cost (income)	59,342	61,591.00
<b>Net impact on profit (before tax)</b>	<b>2,22,258</b>	<b>2,47,680</b>
Actuarial loss/(gain) recognised during the year	(4,64,613)	(2,64,427.00)
<b>Amount recognised in total comprehensive income</b>	<b>(2,42,355)</b>	<b>(16,747)</b>

(ii) Change in the present value of obligation:

Particulars	As at March 31, 2021	Year Ended March 31, 2020
<b>Present value of defined benefit obligation as at the beginning of the year</b>	<b>8,99,763</b>	<b>9,16,510.00</b>
Current service cost	2,46,162	1,86,089.00
Interest cost	59,342	61,591.00
Benefits paid	-	-
Actuarial loss/(gain)	(4,64,613)	(2,64,427.00)
Past Service Cost	-	-
<b>Present value of defined benefit obligation as at the end of the period</b>	<b>7,40,654</b>	<b>8,99,763</b>

(iii) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Present value of funded obligation as at the end of the year	8,99,763	9,16,510
Fair value of plan assets as at the end of the period funded status	(1,59,109)	(16,747)
<b>Unfunded/funded net liability recognized in balance sheet</b>	<b>7,40,654</b>	<b>8,99,763</b>

*[Handwritten signatures and a circular stamp are present below the reconciliation table.]*

**VIKAS LIFECARE LIMITED**  
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**(iv) Breakup of actuarial (gain)/loss:**

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Actuarial (gain)/loss from change in demographic assumption	-	(167.00)
Actuarial (gain)/loss from change in financial assumption	21,057	33,157.00
Actuarial (gain)/loss from experience adjustment	(4,85,670)	(2,97,417.00)
<b>Total actuarial (gain)/loss</b>	<b>(4,64,613)</b>	<b>(2,64,427.00)</b>

**(v) Actuarial assumptions**

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Discount rate	6.20%	6.60%
Rate of increase in compensation levels	7.00%	7.00%
Withdrawal Rates	15% p.a. at all age	15% p.a. at all age
Retirement age	75 yrs.	75 yrs.

**Notes:**

- 1) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the
- 2) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant

**(vi) Sensitivity analysis for gratuity liability**

Particulars	As at March 31, 2021	Year Ended March 31, 2020
<b>Impact of change in discount rate</b>		
Present value of obligation at the end of the year		
- Decrease due to increase of .5 %	7,68,530	9,26,976
- Increase due to decrease of .5 %	7,14,493	8,74,044
<b>Impact of change in salary increase</b>		
Present value of obligation at the end of the year		
- Increase due to increase of .5 %	7,14,763	9,22,867
- Decrease due to decrease of .5 %	7,67,824	8,76,307
<b>Impact of withdrawal rate</b>		
- Withdrawal rate * 110 %	7,58,188	8,94,733
- Withdrawal rate * 90 %	7,24,134	9,03,637

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous year

**(vii) Maturity profile of defined benefit obligation**

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Within next 12 months	68,203	1,20,420
Between 1-5 years	3,37,193	4,19,353
Beyond 5 years	8,74,574	4,01,010

**B Defined Contribution Plan**

Particulars	As at March 31, 2021	Year Ended March 31, 2020
Contribution to Provident and other funds	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**VIKAS LIFECARE LIMITED**  
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#### 44 Related Party Disclosure

(i) The related parties as per terms of Ind AS-24, "related Party Disclosure", ( specified under section 133 of the Companies Act , 2013, read with rule 7 of (Accounts) Rule , 2015) and Section 188 of Companies Act, 2013 are disclosed below :-

Related Parties with whom transactions have taken place during the year :

**(i) Key Management Personnel/Directors**

Mr. Vivek Garg (Managing Director)  
 Mr. Vikas Garg (Director)  
 Mr. Pankaj Kumar Gupta (Independent Director)  
 Ms. Meena (Independent Director)  
 Ms. Richa Sharma (Director)  
 Mr. Vijay Kumar Sharma (Director)  
 Mr. Gaurav Agrawal (Company Secretary) (resigned on 03.08.2020)  
 Ms. Ujjwal Verma (Company Secretary) (appointed on 07.09.2020)  
 Ms. Ujjwal Verma (Company Secretary) (Resigned on 29.04.2021)  
 Mr. Chandan Kumar (Chief Financial Officer, CFO)  
 Ms. Rashika Gupta (Company Secretary ) (Appointed on 26.03.2021)  
 Ms. Rashika Gupta (Company Secretary ) (Resigned on 25.06.2021)  
 Ms. Monika Soni (Company Secretary ) (Appointed on 25.06.2021)

**(ii) Enterprises over which key management personnel and their relatives have significant influence:**

M/s Vikas Ecotech Limited (Common Director)  
 M/s Ravi Crop Science (Partners in Firm) (dissolution on 30.06.2020)  
 M/s Steeping Stone Construction Private Limited

**(iii) Key Management Personnel's and Director's relative**

Ms. Seema Garg (Relatives of KMP)  
 Mr. Vishal Jai Kumar Garg (Relatives of KMP)

**(iv) Terms and Conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**(v). Revenues from transactions with a single customer exceeded 10% of the Company's sales in current as well as previous year**

Particulars	As at March 31, 2021	As at March 31, 2020
A J Impex	13,63,77,320	31,04,66,150
Bhardwaj Enterprises	18,87,02,356	33,56,39,000
Vishal Pipes Limited	11,02,49,200	-

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**VIKAS LIFECARE LIMITED**

CIN: U25111DL1995PLC073719

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Amount in Rs.)

(ii) Transaction with Related parties

(Amount in Rs.)

Particulars	Directors		Enterprises in which Directors' relative are Interested		Key Management Personnel		Key Management Personnel's and Director's relative	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>A) Transaction</b>								
<b>Director's Remuneration &amp; Perquisites</b>								
Meena Bansal	72,000	24,600	-	-	-	-	-	-
Richa Sharma	1,40,000	-	-	-	-	-	-	-
Vijay Kumar Sharma	16,80,000	10,95,000	-	-	-	-	-	-
Pankaj Kuma Gupta	80,000	-	-	-	-	-	-	-
<b>Remuneration to Key Management Personnel</b>								
Chandan Kumar	-	-	-	-	9,00,000	9,00,000	-	-
Gaurav Aggarwal	-	-	-	-	50,000	1,99,478	-	-
Ms. Ujjwal Verma	-	-	-	-	1,20,000	-	0	-
<b>Rent to Director's relative</b>								
Seema Garg	-	-	-	-	-	-	2,88,000	2,88,000
Vivek Garg	3,00,000	3,00,000	-	-	-	-	-	-
<b>Purchase of Traded Goods</b>								
M/s Vikas Ecotech Limited	-	-	22,41,32,961	28,34,71,326	-	-	-	-
<b>Sales of Traded Goods</b>								
M/s Vikas Feotech Limited	-	-	45,39,934	1,43,86,307	-	-	-	-
<b>Professional Fee</b>								
M/s Jha Gurjjan & Associates	-	-	-	-	-	-	78,500	-
Vishal Jai Kumar Garg	-	-	-	-	-	-	12,00,000	12,00,000
<b>Loan Received</b>								
Vikas Garg	-	-	-	-	11,36,00,000	1,14,90,000	-	-
<b>Loan Repaid</b>								
Vikas Garg	-	-	-	-	1,32,25,545	3,72,99,500	-	-
<b>Profit from Partnership Firm</b>								
M/s Ravi Crop Science	-	-	19,35,929	1,38,79,992	-	-	-	-

*Handwritten signatures and initials are present over the table, including a large signature on the right side and smaller ones near the bottom right.*

VIKAS LIFECARE LIMITED

CIN: U25111DL1995PLC073719

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Transaction with Related parties Cont...

Particulars	Directors		Enterprises in which Directors' relative are interested		Key Management Personnel		Key Management Personnel's and Director's relative	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
(E) Balance outstanding as at the end of the year								
<u>Unsecured loan</u>								
Vikas Garg	10,92,65,763	88,91,308	-	-	-	-	-	-
<u>Payable for Remuneration</u>								
Chandan Kumar					75,000	75,000	-	-
Vijay Kumar Sharma					1,40,000	1,00,000	-	-
Ms. Ujjwal Verma					30,000	-	-	-
<u>Payables</u>								
M/s Vikas Ecotech Limited	-	-	24,52,53,136	28,34,71,326	-	-	-	-
<u>Receivables</u>								
M/s Ravi Crop Science			6,07,43,564	-			1,55,600	-
Seema Garg								-
<u>Payable for Rent</u>								
Seema Garg	-	-	-	-	-	-	-	1,64,000
Vivek Garg	5,46,250	2,70,000	-	-	-	-	-	-
<u>Capital Balance</u>								
Ravi Crop Science	-	-	-	5,88,09,635	-	-	-	-

Stepping stone construction private limited has been given corporate guarantee and its immovable property situated at G-22, Ground floor in the building known as \* Shree Ghamtakarna Mall in the village shaher Kotda, Taluka Maningar, Ahmedabad-380002 as security by way of equitable mortgage in favour of Punjab National Bank to secure credit facilities aggregating to Rs. 28 crore being availed by Vikas Multicorp limited.

*(Signature)* *(Signature)* *(Signature)*

**VIKAS LIFECARE LIMITED**  
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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**45 Information on Segment Reporting pursuant to Ind AS 108 - Operating Segments**

**Operating segments:**

Real estate Division

Trading Division -Polymers

Trading Division -Cashew nuts

Manufacturing Division- Polymers

**Identification of segments:**

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in these financial statements. Operating segments have been identified on the basis of the nature of products.

**Segment revenue and results**

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

**Segment assets and liabilities:**

Assets used by the operating segments mainly consist of property, plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

The measurement principles of segments are consistent with those used in preparation of these financial statements. There are no inter-segment transfers

(Amount in Rs.)

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
Domestic	70,98,95,445	1,52,85,51,086
Export	20,78,713	17,19,438
<b>Total</b>	<b>71,19,74,158</b>	<b>1,53,02,70,524</b>

**I. Revenue by nature of products**

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
(a) Real estate Division	-	20,00,000
(b) Trading Division -Polymers	39,56,94,217	1,52,82,70,524
(c) Trading Division -Cashew nuts	8,62,95,572	-
(d) Manufacturing Division- Polymers	22,99,84,369	-
<b>Total</b>	<b>71,19,74,158</b>	<b>1,53,02,70,524</b>

*Handwritten signatures and initials are present below the table.*

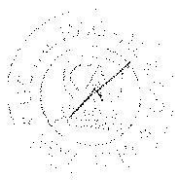
2. Segment Results before tax and interest

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
(a) Real estate Division	-	12,08,000
(b) Trading Division -Polymers	10,90,66,725	13,55,18,652
(c) Trading Division -Cashew nuts	1,29,47,652	-
(d) Manufacturing Division- Polymers	(96,60,995)	-
<b>Sub Total</b>	<b>11,23,53,382</b>	<b>13,67,26,652</b>
Less: Finance Cost	5,35,39,490	5,01,08,954
Add: Other Income	1,01,52,508	2,15,58,637
Less: Expenses	8,39,64,868	8,31,14,007
<b>Profit before tax</b>	<b>(1,49,98,468)</b>	<b>2,50,62,327</b>
Less: Tax expenses	2,00,19,183	1,10,89,647
<b>Net profit for the year</b>	<b>(3,50,17,651)</b>	<b>1,39,72,680</b>
<b>3. Capital Employed</b>	<b>1,07,97,29,217</b>	<b>93,74,09,374</b>

4. Segment Assets and Liabilities

Particulars	For the period ended March 31, 2021	For the period ended March 31, 2020
<b>Assets</b>		
Real estate Division	1,70,59,462	1,77,70,612
Manufacturing Division- Polymers	12,45,51,771	9,70,40,157
Unallocated	1,34,79,01,024	2,43,21,31,240
<b>Liabilities</b>		
Real estate Division	-	-
Unallocated	1,48,95,12,257	2,54,69,42,009
Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.		

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VIKAS LIFECARE LIMITED  
(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)  
CIN: U25111DL1995PLC073719  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
-46 Fair value disclosures

i) Fair values hierarchy

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorised within the fair value hierarchy, described as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Financial assets and liabilities measured at fair value - recurring fair value measurements**

As at March 31, 2021	Level 1	Level 2	Level 3	Total
<b>Assets at fair value</b>				
Investments measured at fair value through other comprehensive income	3,32,38,800	-	-	3,32,38,800
Investments measured at fair value through profit and loss	-	-	-	-
<b>Total</b>	<b>3,32,38,800</b>	<b>-</b>	<b>-</b>	<b>3,32,38,800</b>

As at March 31, 2020	Level 1	Level 2	Level 3	Total
<b>Assets at fair value</b>				
Investments measured at fair value through other comprehensive income	4,06,04,903	-	-	4,06,04,903
Investments measured at fair value through profit and loss	-	-	-	-
<b>Total</b>	<b>4,06,04,903</b>	<b>-</b>	<b>-</b>	<b>4,06,04,903</b>

There have been no transfers between levels during the period.

**Valuation process and technique used to determine fair value**

The following methods and assumptions were used to estimate the fair values of financial instruments:

- (i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fairvalues within that range.
- (iii) The fair value of non-current borrowings carrying floating-rate of interest is not impacted due to interest rate changes, and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).

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**VIKAS LIFECARE LIMITED**  
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(ii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

(Amount in Rs.)

Particulars	As at March 31, 2021		00-Jan-20	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Loans	84,74,000	84,74,000	1,80,50,000	1,80,50,000
Trade receivables	71,25,85,186	71,25,85,186	1,76,22,71,703	1,76,22,71,703
Cash & cash equivalents	18,75,242	18,75,242	21,71,628	21,71,628
Other financial assets	12,82,92,439	12,82,92,439	4,99,63,057	4,99,63,057
<b>Total financial assets</b>	<b>85,12,26,867</b>	<b>85,12,26,867</b>	<b>1,83,24,56,389</b>	<b>1,83,24,56,389</b>
<b>Financial liabilities</b>				
Borrowings	41,30,33,367	41,30,33,367	40,21,82,111	40,21,82,111
Trade Payables	37,65,65,388	37,65,65,388	1,50,63,59,504	1,50,63,59,504
Other Financial Liabilities	75,24,177	75,24,177	54,65,834	54,65,834
<b>Total financial liabilities</b>	<b>79,71,22,932</b>	<b>79,71,22,932</b>	<b>1,91,40,07,449</b>	<b>1,91,40,07,449</b>

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, short term borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value

All long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

**47 Financial Instruments**

**i) Financial instruments by category**

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31 2020.

(Amount in Rs.)

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Financial assets</b>						
Investments	-	3,32,38,800	-	-	4,06,04,903	-
Other financial assets	-	-	12,82,92,439	-	-	4,99,63,057
Trade receivables	-	-	71,25,85,186	-	-	1,76,22,71,703
Cash and cash equivalents	-	-	18,75,242	-	-	21,71,628
Loan	-	-	84,74,000	-	-	1,80,50,000
<b>Total</b>	<b>-</b>	<b>3,32,38,800</b>	<b>85,12,26,867</b>	<b>-</b>	<b>4,06,04,903</b>	<b>1,83,24,56,389</b>
<b>Financial liabilities</b>						
Borrowings	-	-	41,30,33,367	-	-	40,21,82,111
Trade payables	-	-	37,65,65,388	-	-	1,50,63,59,504
Other financial liabilities	-	-	75,24,177	-	-	54,65,834
<b>Total</b>	<b>-</b>	<b>-</b>	<b>79,71,22,932</b>	<b>-</b>	<b>-</b>	<b>1,91,40,07,449</b>

VIKAS LIFECARE LIMITED  
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ii) Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- cash and cash equivalents,
- trade receivables,
- loans & receivables carried at amortised cost, and
- deposits with banks

a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(a) Low credit risk      (b) Moderate credit risk      (c) High credit risk

Assets under credit risk –

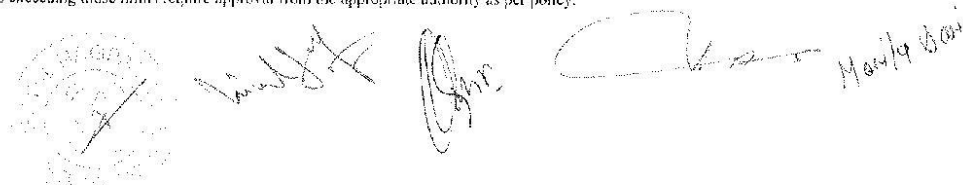
Credit rating	Particulars	As at March 31, 2021	41,30,33,367
A: Low	Investments	3,32,38,800	9,94,14,538
	Other financial assets	12,82,92,439	4,99,63,057
	Cash and cash equivalents	18,75,242	21,71,628
	Trade receivables	42,92,25,343	1,16,23,70,969
B: Moderate Credit Risk			
C: High Risk	Trade receivables	28,53,59,842	59,99,00,754

Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments

Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding these limits require approval from the appropriate authority as per policy.



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In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss.

Loan & Other financial assets measured at amortised cost includes security deposits, fixed deposits loan to related parties and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

(i) Provision for Expected Credit losses

As at March 31, 2021	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	18,75,242	-	18,75,242
Investment	3,32,38,800	-	3,32,38,800
Loans	84,74,000	-	84,74,000
Trade receivables	74,40,69,612	5,14,84,427	71,25,85,185
Other financial assets	12,82,92,439	-	12,82,92,439

As at March 31, 2020	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	21,71,628	-	21,71,628
Investment	9,94,14,538	-	9,94,14,538
Loans	1,80,50,000	-	1,80,50,000
Trade receivables	1,78,94,94,578	2,72,22,825	1,76,22,71,703
Other financial assets	4,99,63,057	-	4,99,63,057

B) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

a) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating rate	As at March 31, 2021	As at March 31, 2020
- Expiring within one year (cash credit and other facilities- fixed rate)	25,10,27,390	34,72,14,611
- Expiring beyond one year (bank loans)	5,72,73,822	5,08,49,186
Total	30,83,01,212	39,80,63,797

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VIKAS LIFECARE LIMITED  
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b) **Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity. Company's based on their contractual maturities for all non-derivative financial liabilities.

The below table analyses the Company's non-derivative financial liabilities as at the reporting date, into relevant maturity groupings based on the remaining period (as at that date) to the contractual maturity date. The amounts disclosed in the below table are the contractual undiscounted cash flows.

As at March 31, 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	25,10,27,390	27,40,093	5,45,33,729	-	30,83,01,212
Trade payable	37,65,65,388	-	-	-	37,65,65,388
Other financial liabilities	-	29,90,569	-	-	29,90,569
<b>Total</b>	<b>62,75,92,778</b>	<b>57,30,662</b>	<b>5,45,33,729</b>	<b>-</b>	<b>68,78,57,169</b>

As at March 31, 2020	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings	34,72,14,611	-	4,87,10,042	-	39,59,24,653
Trade payable	1,50,63,59,504	-	-	-	1,50,63,59,504
Other financial liabilities	-	21,39,144	-	-	-
<b>Total</b>	<b>1,85,35,74,115</b>	<b>21,39,144</b>	<b>4,87,10,042</b>	<b>-</b>	<b>1,90,22,84,157</b>

Impact of Covid-19 pandemic- Based on recent trends observed, profitability, cash generation, cash surpluses held and borrowing lines available, the Company does not envisage any material liquidity risks. Future outlook will depend on how the pandemic develops and the resultant impact on businesses.

C) **Market Risk**

a) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's non-current debt obligations with floating interest rates.

As the Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowing	25,10,27,390	34,72,14,611
Fixed rate borrowing	5,72,73,822	4,87,10,042
<b>Total borrowings</b>	<b>30,83,01,212</b>	<b>39,59,24,653</b>
<b>Amount disclosed under other current financial liabilities</b>	<b>-</b>	<b>-</b>
<b>Amount disclosed under borrowings</b>	<b>30,83,01,212</b>	<b>39,59,24,653</b>

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Interest sensitivity*</b>		
Interest rates – decrease by 100 bps*	(30,83,012)	(39,59,247)
Interest rates – increase by 100 bps*	30,83,012	39,59,247

\* Holding all other variables constant

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**b) Foreign Currency Risk**

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set a policy wherein exposure is identified, a benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. The policy also includes mandatory initial hedging requirements for exposure above a threshold.

The Company's foreign currency exposure arises mainly from foreign exchange imports and exports primarily with respect to USD.

As at the end of the reporting period, the carrying amounts of the Company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>USD exposure</b>		
Assets	2,59,31,243	1,89,86,226
Liabilities	82,06,210	6,57,55,853
<b>Net Exposure</b>	<b>1,77,25,033</b>	<b>(4,67,69,627)</b>

**Foreign currency sensitivity analysis**

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
If INR had strengthened against USD by 5% Decrease in profit for the year	8,86,252	(23,38,481)
If INR had weakened against USD by 5% increase in profit for the year	(8,86,252)	23,38,481

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

**c) Competition and Price Risk**

The Company faces competition from competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**d) Equity price risk management**

The Company's exposure to equity price risk arises from investment held by the Company and classified as FVTOCI. In general, these investments are strategic investments and are not held for trading purposes. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis.

**48 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing term loans and working capital borrowings.

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(a) Debt equity ratio

Particulars	As at March 31, 2021	As at March 31, 2020
Net debt	30,83,01,212	39,59,24,653
Total equity	66,66,95,850	53,52,27,263
Net debt to equity ratio	0.46	0.74

49 Assets pledged as security

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Inventories	27,17,15,977	30,33,02,021
Trade Receivables	71,25,85,186	1,76,22,71,703
<b>Total current assets pledged as security</b>	<b>98,43,01,162</b>	<b>2,06,55,73,724</b>
<b>Non-current</b>		
Property, Plant and Equipments	2,66,25,393	1,63,80,248
Investment Property	-	-
Investments	-	-
<b>Total non-currents assets pledged as security</b>	<b>-</b>	<b>-</b>
<b>Total assets pledged as security</b>	<b>98,43,01,162</b>	<b>2,06,55,73,724</b>

50 Disclosure pursuant to section 186(4) of The Companies Act, 2013

(a) Details of investments made are given under Note no. 5

(b) Details of loan are given below:

Particulars	As at March 31, 2021	As at March 31, 2020
Best Agrolife Limited	50,00,000	-

I Revenue related disclosures

The company has adopted Ind AS 115 "revenue from contracts with customers" from April 01, 2018 (modified retrospective approach) which

Particulars	-	-
<b>Revenue from contracts with customers</b>		
(i) Sale of products*		
(a) Sale of products	71,19,74,158	1,53,02,70,524
(b) Sale of services	-	-
(ii) Other operating income	3,79,71,600	3,10,30,420
<b>Total revenue covered under Ind AS 115</b>	<b>74,99,45,758</b>	<b>1,56,13,00,944</b>

A Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	-	-
<b>Contract liabilities</b>		
Advance received from customers	87,38,810	8,79,69,936
<b>Total contract liabilities</b>	<b>87,38,810</b>	<b>8,79,69,936</b>
<b>Receivables</b>		
Trade receivables	71,25,85,186	1,76,22,71,703
<b>Total receivables</b>	<b>71,25,85,186</b>	<b>1,76,22,71,703</b>

Receivable is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation

B The Company has applied Ind AS 115 prospectively from April 01, 2018 and the adoption of this standard did not have a material impact on the financial statements of the Company.

*[Handwritten signatures and stamps]*

VIKAS LIFECARE LIMITED  
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51 Revenue related disclosures

The company has adopted Ind AS 115 "revenue from contracts with customers" from April 01, 2018 (modified retrospective approach) which resulted in changes in accounting policies but no consequential adjustment to the amounts recognised in the financial statements.

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Revenue from contracts with customers</b>		
(i) Sale of products*		
(a) Sale of products	71,19,74,158	1,53,02,70,524
(b) Sale of services	-	-
(ii) Other operating income	3,79,71,600	3,10,30,420
<b>Total revenue covered under Ind AS 115</b>	<b>74,99,45,758</b>	<b>1,56,13,00,944</b>

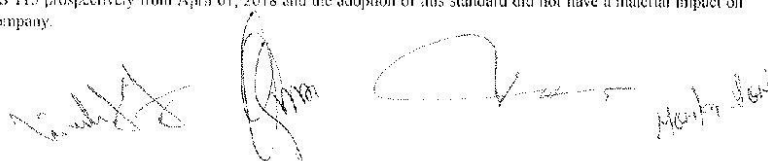
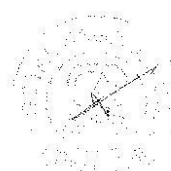
**A Contract balances**

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Contract liabilities</b>		
Advance received from customers	87,38,810	8,79,69,936
<b>Total contract liabilities</b>	<b>87,38,810</b>	<b>8,79,69,936</b>
<b>Receivables</b>		
Trade receivables	71,25,85,186	1,76,22,71,703
<b>Total receivables</b>	<b>71,25,85,186</b>	<b>1,76,22,71,703</b>

Receivable is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

- B** The Company has applied Ind AS 115 prospectively from April 01, 2018 and the adoption of this standard did not have a material impact on the financial statements of the Company.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

52 Lease

(Amount in Rs.)

The Company's leasing arrangements are in respect of operating leases for premises (office/factory). These range between 5 months - 15 years and usually renewable on mutually agreed terms.

The schedule of future minimum lease rental payments in respect of non-cancellable operating leases is set out below:

Particulars	As at March 31, 2021	As at March 31, 2020
Payable not later than 1 year	6,07,500	6,47,875
Payable later than 1 year but not later than 5 years	-	-
Payable later than 5 years	-	-

Amount Recognised in Statement of Profit and Loss

Particulars	As at March 31, 2021	As at March 31, 2020
Expenses relating to Short-term Lease	13,49,000	10,95,000

Adoption of Ind AS-116 Leases

The Company has adopted Ind AS 116, effective from April 1, 2019 and applied the standard to its leases retrospectively. The cumulative effect of initially applying the standard was recognised on April 1, 2019 as an adjustment to the retained earnings. All lease liabilities are short term and payable not more than 1 year and all lease liability recognised in profit and loss account.

53 Expected Credit Loss

Movement in each class of provision made during the financial year are as under:

Allowances for Expected Credit Loss	Amount
As at April 1, 2019	1,89,05,367
Additional Provision during the year	83,17,458
Amount used during the period	-
As at March 31, 2020	2,72,22,825
Additional Provision during the year	42,61,602
Amount used during the period	-
As at March 31, 2021	3,14,84,427

54 Contingent liabilities and Commitments (to the extent not provided for)

Contingent liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Claims against the company not acknowledged as debts		
1. Direct Tax laws*	79,30,640	51,07,360
2. Custom Duty**	1,25,34,561	88,40,609
3. Bank Guarantees issued by the bank on behalf of the company***	3,00,10,000	2,70,00,000
4. Facility availed by Sister concern on the property in the possession of the company****	4,59,20,000	4,59,20,000

\* Income Tax dispute for the A.Y. 2016-17 amounting to Rs. 604220/- pending at ITAT, Delhi Authority and Pending dispute for the A.Y. 2017-18 to Rs. 4503140/- at CIT(A), Delhi and Income Tax Deispute for the A.Y. 2018-19 amounting to Rs. 29,23,280/- as per order dated 19.01.2021

\*\* The Company is contingently liabilities on export obligation dues

\*\*\* Above figures are stated without considering margin money given by the company, for margin money details please refer Note No. 8

\*\*\*\* Land Include Property at SHDCO, Shamba Jammu and Kashmir, Land at Khasar No. 41/4, Sultanpur Dabas, Delhi-110084, which s in the name of M/s Vikas Ecotech Limited. The said land was transferred to M/s Vikas Multicorp Limited vide Demerger of M/s Vikas Ecotech Limited. Further such land is hypothecated against Cash credit Limit availed by M/s Vikas Ecotech Limited under consortium finance by M/s Punjab National Bank, State Bank of India and Bank of Baroda. A total Cash credit Limit includes fund base limit and Non fund base limit of Rs 157.00 Crore.

**VIKAS LIFECARE LIMITED**  
**(FORMERLY KNOWN AS VIKAS MULTICORP LIMITED)**  
**CIN: U25111DL1995PLC073719**

The Directorate of Enforcement, Delhi Zonal Office, New Delhi has issued a provisional attachment order ("Order") bearing number 04/2020 and file number ECIR/10/DZ-1/2017 under Section 5(1) of the Prevention of Money Laundering Act, 2002 ("PMLA") against our Company, its then Director Mr. Vishal Garg and other third parties. Through the said attachment, bank account SBI Bank, Naraina Vihar, New Delhi maintained with has been attached for an amount of Rs. 6,20,721/-.

There is demand of Rs 6,83,570.90 for past outstanding TDS demand as per traces site as at 31.03.2021

**55 Micro, Small & Medium Enterprises :-**


The information as required to be disclosed in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
Principal	-	-
Interest	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-

**56 Approval of standalone financial statements**

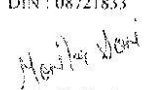
The standalone financial statements were approved for issue by the Board of Directors of the Company on 25th June, 2021 subject to approval of shareholders.

As per our report of even date attached  
for GOYAL NAGPAL & CO,  
Chartered Accountants  
FRN: 018289C

  
(CA Vineender Nagpal)  
Partner  
M.No. 416000  
Date: 25-06-2020  
Place: Delhi  
UDIN : 21416004AAAAG13775

For and on behalf of the Board of Directors

  
Vivek Garg  
Managing Director  
DIN : 00255443  
  
Chandan Kumar  
Chief Financial Officer

  
Vijay Kumar Sharma  
Whole time Director & CEO  
DIN : 08721833  
  
Monika Soni  
Company Secretary

## Other Financial Information

### Accounting Ratio

The details of our accounting ratios are as follows

Particulars	(Derived from Financial statement)		
	Period ended June 30, 2021	Year ended March 31, 2021	Year ended March 31, 2020
Basic Earnings Per share (Rs.)	0.004	-0.053	0.021
Diluted Earnings Per share (Rs.)	0.004	-0.053	0.021

### Return on Net Worth

Profit for the period/year (A)	33,33,143	-3,50,17,651	1,39,72,680
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### Net Worth

Equity Share Capital	92,88,93,693	66,34,95,495	66,34,95,495
Other Equity*	40,95,96,809	32,00,355	-12,82,68,232
Net Worth at the end of period/year (B)	<b>1,33,84,90,502</b>	<b>66,66,95,850</b>	<b>53,52,27,263</b>

Return on Net worth (%=A/B)	<b>0.25%</b>	<b>-5.25%</b>	<b>2.61%</b>
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### Net Assets Value per Equity Share

Net worth at the end of the period/year** (C)	1,33,84,90,502	66,66,95,850	53,52,27,263.18
Number of equity shares outstanding at the end of the period/year** (D)	92,88,93,693	66,34,95,495	66,34,95,495.00
Net assets value per equity Share (Rs.) (C/D)	1.44	1.00	0.81

\*This includes capital reserves and other reserves

\*\*Net Worth is derived from the Restated Financial Information and comprises of equity share capital and other equity.

### Notes:

1. The figures disclosed above are derived from the Restated Financial Information.

2. The ratio has been computed as below:

Basic Earning Per Share =	$\frac{\text{Net Profit after Tax}}{\text{Weighted average number of equity shares outstanding during the period/year}}$
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Diluted Earning Per Share =	$\frac{\text{Net Profit after Tax}}{\text{Weighted average number of equity shares outstanding during the period/year}}$
-----------------------------	--

Return on net worth (%) =	$\frac{\text{Net Profit after Tax}}{\text{Net Worth}}$
---------------------------	--

Return on net worth (%) =	$\frac{\text{Net Worth}}{\text{Number of equity shares as at the period/year end}}$
---------------------------	---

3. Earnings per share (EPS) calculation is in accordance with Ind-AS 33 - Earning per share

4. Weighted average number of shares is the number of equity shares outstanding at the beginning of the period adjusted by the number of equity shares issued during period, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with the "Financial Statements" beginning on page 94 of this Draft Letter of Offer.*

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read "Risk Factors" and "Forward Looking Statements" beginning on pages 24 and, 19, respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our financial statements included in this Draft Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Fiscal 2021 included herein is based on the Audited Financial Statements and the financial information included herein for the three months ended June 30, 2020 is based on the Unaudited Financial Results, included in this Draft Letter of Offer. For further information, see "Financial Statements" beginning on page 94 of this Draft Letter of Offer.*

*Neither we, any of their affiliates or advisors, nor any other person connected with the Issue has independently verified such information. For further information, see "Presentation of Financial and other Information" beginning on page 16 of this Draft Letter of Offer.*

### Business overview

We are engaged in the business of manufacturing recycling materials and trading of Polymer Compounds. We are an ISO 9001:2005 compliant Company. Until year 2019, our Company was only engaged in the business of trading Polymer compounds. Our Company in the year 2019 completed the acquisition of 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' through demerger under the scheme of arrangement approved by Hon'ble National Company Law Tribunal. Pursuant to completion of said demerger, the equity shares of the Company were listed at the Stock Exchanges, both at the NSE and BSE on May 8, 2019.

At present our Company is principally engaged in the business of Recycling Plastic Waste (**Recycling Materials**) and trading of Polymer Compounds. Until 2019, the business of our Company was engaged in the trading of various Polymer Compounds such as Ethylene-vinyl acetate (**EVA Compounds**), Polyvinyl chloride resins (**PVC resins**), chlorinated Paraffin, Polyethylene Compound (PE Compounds) and Thermoplastic Rubber Compounds (**TPR Compounds**). However, subsequent to the acquisition of 'Recycled and Trading Compounds Division' of group concern 'Vikas Ecotech Limited' under the scheme of arrangement approved by National Company Law Tribunal, Principal Bench, New Delhi, our Company also started manufacturing Polymer Compounds such as PE Compound, Polyvinyl Chloride Compound (**PVC Compounds**), V blend SOE Compound, Polypropylene Compounds (**PP granules**), TPR Compounds from FY 2019-20 onwards.

During 2020-2021, our Company initiated trading in raw and finished cashew nuts and trading of rice to pursue one of its business strategies to venture and expand into FMCG industry.

In the year 2021, our Company has ventured in other infra products business and has started trading of food grade piping systems for drinking water for drinking water under the Jal Jeevan Mission initiated by Department of Drinking Water & Sanitation, Ministry of Jal Shakti, Government of India and also initiated trading of steel pipes, steel pipes fittings and bars.

## SIGNIFICANT DEVELOPMENTS AFTER JUNE 30, 2021 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

To the knowledge of our Company and except as disclosed herein, since the date of the last financial statements contained in this Draft Letter of Offer, no other circumstances have arisen which would materially and adversely affect or which would be likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (twelve) months.

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We are a company engaged in the Manufacturing and Trading of Speciality Chemicals, Polymers products, FMCG products, agro based products and infrastructure products. Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control including the performance of the Indian economy and the business in which we are involved.

However, there are some specific items that we believe have impacted our results of operations, and in some cases, may continue to impact our results of operations on a consolidated level and at our individual projects in future. In this section, we discuss some of the significant factors that we believe have or could have an impact on our revenue and expenditure. Please also see the section titled "**Risk Factors**" beginning on page 24 of this Draft Letter of Offer.

### Compliance with environmental laws and regulations

We are subject to central and state environmental laws and regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from its operations. In case of any change in environmental or pollution laws and regulations, we may be required to incur significant amounts on, among other things, environmental monitoring, pollution control equipment and emissions management. In addition, failure to comply with environmental laws may result in the assessment of penalties and fines against us by regulatory authorities.

and times against us by regulatory authorities.

Particulars	As on June 30, 2021	(Rupees in Lakhs)	
		For the year ended March 31, 2021	2020
<b><u>Revenue:</u></b>			
Sales of products manufactured	2,410.41	7,119.74	15,302.71
As a % of Total Revenue from Operation	95.14	93.67	96.68
Sales of products traded	-	-	-
As a % of total Revenue from Operation	-	-	-
Sales of Services	-	379.72	310.30
As a % of total Revenue from Operation	-	5.00	1.96
<b>Revenue From Operations (Net of Taxes)</b>	<b>2,410.41</b>	<b>7,499.46</b>	<b>15,613.01</b>
As a % of Total Revenue	95.14	98.66	98.64
Other Income	123.02	101.53	215.59
As a % of Total Revenue	4.86	1.34	1.36
<b>Total Revenue</b>	<b>2,533.43</b>	<b>7,600.98</b>	<b>15,828.60</b>
<b><u>Expenses:</u></b>			
Cost of Material Consumed	323.87	2,437.83	13,486.94
Purchase of Stock-In-Trade	2,059.46	3,335.53	2,122.70
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	-188.38	602.56	-1,363.90
Employee benefit expenses	19.24	65.63	99.29
Financial Cost	132.90	535.39	501.09
Depreciation and amortization expenses	21.43	68.43	74.17
Others Expenses	120.37	280.69	246.17
<b>Total Expenses</b>	<b>2,488.89</b>	<b>7,326.07</b>	<b>15,166.47</b>
As a % of Total Revenue	98.24	96.38	95.82

Particulars	As on June 30, 2021	For the year ended March 31,	
		2021	2020
<b>Profit before exceptional, extraordinary items and tax</b>	44.54	274.91	662.13
<i>As a % of Total Revenue</i>	<i>1.76</i>	<i>3.62</i>	<i>4.18</i>
Less: Exceptional Items	-	424.89	411.51
<b>Profit before extraordinary items and tax (A-B)</b>	44.54	-149.98	250.62
<i>As a % of Total Revenue</i>	<i>1.76</i>	<i>-1.97</i>	<i>1.58</i>
Prior Period Items	-	-	-
<b>Profit before tax</b>	<b>44.54</b>	<b>-149.98</b>	<b>250.62</b>
<i>As a % of Total Revenue</i>	<i>1.76</i>	<i>-1.97</i>	<i>1.58</i>
<i>Tax expense:</i>			
Current tax	11.21	171.04	77.81
Deferred Tax	-	29.15	33.08
<b>Total Tax Expenses</b>	<b>11.21</b>	<b>200.19</b>	<b>110.90</b>
<i>As a % of Total Revenue</i>	<i>0.44</i>	<i>2.63</i>	<i>0.70</i>
<b>Profit/(Loss) for the period After Tax (PAT)</b>	<b>33.33</b>	<b>-350.18</b>	<b>139.73</b>
<i>As a % of Total Revenue</i>	<i>1.32</i>	<i>-4.61</i>	<i>0.88</i>

## OVERVIEW OF RESULTS OF OPERATION

Comparison of Financial Year ended March 31, 2021 with Financial Year ended March 31, 2020

### Revenue from Operations

The operating income of the Company for the year ending March 31, 2021 is ₹ 7,499.46 Lakhs as compared to ₹ 15,613.01 Lakhs for the year ending March 31, 2020, showing a decrease of 51.97%. Sales revenue has decreased in comparison to previous year.

### Other Income

Our other income decreased by 52.91% from ₹215.59 Lakhs in FY 2019-20 to ₹101.53 Lakhs in FY 2020-21. Interest and other income is received less in comparison to previous year which has resulted in decrease in Other income for FY 2020-21.

### Expenditure

Employee benefit expenses decreased from ₹ 99.29 Lakhs in financial year 2019-20 to ₹ 65.63 Lakhs in financial year 2020-21. Expenditure on labour and staff were less in comparison to previous year.

Our other expenses increased by 14.02% from ₹ 246.17 Lakhs in financial year 2019-20 to ₹280.69 Lakhs in financial year 2020-21. Other expense increased in comparison to previous year.

### Cost of Material Consumed

Material Consumed Cost decreased by 81.92% from ₹13486.94 Lakhs in financial year 2019-20 to ₹2437.83 Lakhs in financial year 2020-21.

### Depreciation

Depreciation decreased by 7.74% from ₹74.17 lakhs in in financial year 2019-20 to ₹68.43 Lakhs in financial year 2020-21.

### Profit before Tax

Profit before tax decreased from ₹250.62 Lakhs in financial year 2019-20 to ₹ (149.98) Lakhs in financial year 2020-21.

The company is not able to generate higher net profit before tax.

## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Letter of Offer, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in this Draft Letter of Offer to our knowledge there are not any significant economic changes that materially affected or are likely to affect income from continuing operations

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the section titled “*Risk Factors*” beginning on page 24 of this Draft Letter of Offer to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### **4. Future relationship between Costs and Income.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies, subsidies available and prices of raw material.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices.

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in manufacturing and trading in specialty chemicals, FMCG and polymers products. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 65 of this Draft Letter of Offer.

### **5. Status of any publicly announced new products/projects or business segments**

Our Company has not announced any new projects or business segments, other than disclosed in the Draft Letter of Offer.

### **6. The extent to which the business is seasonal**

Our Company’s business is not seasonal in nature.

### **7. Any significant dependence on a single or few suppliers or customers**

There is no significant dependence on a single or few suppliers or customers

### **8. Competitive Conditions**

We face competition from existing and potential organised and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “*Our Business*” on page 81 of this Draft Letter of Offer.

# CAPITALIZATION STATEMENT

		(Rs. In Lakhs)
Particulars	Pre-issue as at 30.06.2021	Post Issue
<b>Total Borrowing</b>		
Current Borrowing	16,49,09,863	
Non-Current Borrowing	5,29,05,257	
<b>Total Equity</b>		
Equity Share Capital	92,88,93,693	
Other Equity	40,95,96,809	
<b>Total Capital</b>	<b>1,33,84,90,502</b>	<b>0.00</b>
Ratio: Non-current borrowings/Total Equity	4%	0%

## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Our Company is subject to various legal proceedings from time to time, primarily arising in the ordinary course of business. There is no outstanding litigation which has been considered material in accordance with our Company's 'Policy for Determination of Materiality', framed in accordance with Regulation 30 of the SEBI Listing Regulations, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Draft Letter of Offer. However, solely for the purpose of the Issue, the following outstanding litigations have been disclosed in this section of this Draft Letter of Offer, to the extent applicable: any outstanding civil litigation, including tax litigation, involving our Company, where the amount involved is higher of 20% of Turnover or Net Worth of the Company for the immediately preceding financial year ("**Materiality Threshold**") or above.*

*Except as disclosed below, there are no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.*

*Pre-litigation notices received by our Company from third-parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial forum.*

#### (A) Pending Litigations Relating to the Company

(i)	Labour Cases filed against the Company	: NIL
(ii)	Labour Cases filed by the Company	: NIL
(iii)	Civil Cases filed against the Company	: NIL
(iv)	Civil Cases filed by the Company	: 2
(v)	Criminal cases against the company	: 1
(vi)	Criminal cases filed by the company	: 2
(vii)	Notices served on the Company	: NIL
(viii)	Tax related matters (against the Company)	: Not Ascertainable

#### I. Civil Cases filed by the Company

1. Our Company has initiated winding up proceedings under Section 9 of the Insolvency and Bankruptcy Code, 2016 against Jindal Specialty Textiles Limited ("**Corporate Debtor**") on March 12, 2020 before the National Company Law Tribunal, Chandigarh Bench for non-payment of money amounting to ₹ 1,58,85,677 (Rupees one crore fifty-eight lakh eighty-five thousand six hundred and seventy-seven) by the Corporate Debtor against goods supplied to it. The matter is currently pending.
2. Our Company and others ("**Petitioners**") have filed an application for Interim Injunction under Order 39 CPC 1908 against M/s Astitva Capital Market Limited & Ors. ("**Defendants**") bearing original number 03/2021 at the Court of the Civil Judge, Gautam Buddh Nagar for freezing of shares of the Petitioners. The Petitioners had transferred the shares for the purpose of opening a demat account with Defendant's Company, but the defendant had transferred those shares in account of another company's pool account. The shares were valued at about ₹ 5,35,98,000 (Rupees five crores thirty-five lacs ninety-eight thousand) as on the date of transfer (calculated on the basis of average of High and Low Price of the share for the respective day). The matter is presently pending.

#### II. Criminal cases filed against the Company

1. The Directorate of Enforcement, Delhi Zonal Office, New Delhi has issued a provisional attachment order ("**Order**") bearing number 04/2020 and file number ECIR/10/DZ-1/2017 under Section 5(1) of the Prevention of Money Laundering Act, 2002 ("**PMLA**") against our Company, its then Promoter/ Director Mr. Vishal Garg and other third parties. Through the said attachment, our bank account SBI Bank, Naryana Vihar, New Delhi maintained with has been attached for an amount of ₹ 6,20,721/-.

Our Company in its reply had denied the allegations raised in the Order while contending that the Company was unaware of the discounting of the letter of credits. Our Company also contended that there is no evidence linking the attached SBI bank account of the Company under the provisional order to the alleged offence. The matter is adjudicated whereby the provisional attachment order has been confirmed. The investigation in the matter is also ongoing. The Company is in the process of filing an appeal with the Hon'ble Appellate Tribunal, PMLA New Delhi or a writ petition with the Hon'ble High Court of Delhi.

### III. Criminal Cases filed by the Company

1. Our Company has filed a Criminal complaint ("**Complainant**") at Cyber Cell, Dwarka, Delhi for cognizable offences committed by various unknown persons under Section 384, 120B, 503, 506, 420, 468 of the IPC and Section 18, 60 and 66C of Information Technology Act 2000 for wrongfully filing complaints of our Company's involvement in insider trading by impersonating multiple persons who have denied filing any such complaints. The matter is presently pending.
2. Our Company and others ("**Complainant**") have filed a criminal complaint against M/s Astitva Capital Market Limited & Ors. ("**Accused**") at Police Station Punjabi Bagh and Shahjahanpur Rajasthan for allegedly misappropriating shares by various illegal means and commission of various cognizable offences by the accused(s) including those provided under Section 403, 406, 409, 419, 420, 120B read with 34 of IPC. The matter is presently pending.

### IV. Tax Related Matters

#### Tax Claims made against the Company

Particulars	No. of cases	Aggregate amount involved (in ₹)
Direct Tax*	Not ascertainable*	1,57,18,629.9
Indirect Tax	1	88,40,609
<b>Total</b>	Not ascertainable*	2,45,59,238.9

\*since it includes the TDS defaults for the "prior years"

### (B) Pending Litigation Relating to the Promoters of the Company

- a) Criminal Case against the promoters : NIL
- b) Civil Cases Against the Promoters : NIL
- c) Criminal Cases Filed by the Promoters : NIL
- d) Civil Case Filed by the Promoters : NIL
- e) Cases Relating to Tax Matters (against the Promoters) : Not Ascertainable

### I. Tax Related Matters

Particulars	No. of cases	Aggregate amount involved (in ₹)
Direct Tax*	Not ascertainable*	21,60,272
Indirect Tax	NIL	NIL
<b>Total</b>	Not ascertainable*	21,60,272

\*since it includes the TDS defaults for the "prior years"

**(C) Pending Litigations Relating to the Directors of the Company**

- a) Criminal case against the Directors : NIL
- b) Civil Cases Against the Directors : NIL
- c) Criminal Cases Filed by the Directors : NIL
- d) Civil Case Filed by the Directors : NIL
- e) Cases Relating to Tax Matters (against the Directors) : Not Ascertainable

**I. Tax Related Matters**

Particulars	No. of cases	Aggregate amount involved (in ₹)
Direct Tax*	Not ascertainable*	21,60,272
Indirect Tax	NIL	NIL
<b>Total</b>	Not ascertainable*	<b>21,60,272</b>

\*since it includes the TDS defaults for the "prior years"

**OUTSTANDING DUES TO CREDITORS**

Particulars	No. of Creditors	Amount Outstanding (in ₹)
Micro, Small and Medium Enterprise	1	2,452.53
Material dues to creditors	NIL	NIL
Other dues to creditors	71	1,313.12
<b>Total</b>	<b>72</b>	<b>3,765.65</b>

**There have been no past cases in which penalties have been imposed on the Company, the Promoters and Directors**

**There has been no disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Company, Directors and Promoters during the last 5 financial years**

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority in relation to the objects of this Issue. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 58 of this Draft Letter of Offer.

## **MATERIAL DEVELOPMENTS**

Except as stated in this Draft Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2021 which materially affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets.

1. Our Company has allotted 265,398,198 equity shares of face value Re. 1/- each on June 22, 2021 pursuant to a Rights Issue of our Company which opened on May 27, 2021 and closed on June 10, 2021 pursuant to our Letter of Offer dated May 17, 2021 filed with SEBI.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Board, pursuant to its resolution dated August 25, 2021, authorised the Issue under Section 62(1)(a) of the Companies Act, 2013.

Our Board/ Rights Issue Committee, in its meeting held on August 25, 2021 has resolved to issue the Equity Shares on rights basis to the Eligible Equity Shareholders, at ₹ [●] per Equity Share [(including a premium of ₹ [●] per Equity Share)] aggregating up to ₹ [●]. The Issue Price is ₹ [●] per Equity Share and has been arrived at by our Company in consultation with the Advisors prior to determination of the Record Date.

Our Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be allotted in this Issue pursuant to their respective letters each dated [●], respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" beginning on page 177 of this Draft Letter of Offer.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is 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. None our Directors or Promoter is associated with the securities market in any manner. Further, there is no outstanding action initiated against any of our Directors or Promoters by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

### Prohibition by RBI

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

### Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

### Eligibility for the Issue

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE and NSE. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI.

## **Compliance with Regulations 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 undertakes to make an application to the Stock Exchanges for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

## **DISCLAIMER CLAUSE OF SEBI**

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

## **Disclaimer from our Company and our Directors**

Our Company accept no responsibility for statements made otherwise 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 anyone placing reliance on any other source of information would be doing so at his own risk.

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

## **Disclaimer in respect of Jurisdiction**

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

## **Disclaimer Clause of BSE**

BSE Limited ("**the Exchange**") has given *vide* its letter dated [●], permission to this Company to use the Exchange's name in this Draft Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Draft Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
- ii. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- iii. Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

## **Disclaimer Clause of NSE**

As required, a copy of this Draft Letter of Offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as "**NSE**"). NSE through its approval dated [●] gave permission to the Issuer to use the Exchange's name in this Draft Letter of Offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this Draft Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Draft Letter of Offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

### **Designated Stock Exchange**

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

### **Listing**

Our Company will apply to BSE and NSE 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.

### **Selling Restrictions**

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer, Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and the issue of Rights Entitlements and 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 this Draft Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter 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 will dispatch the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

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

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

#### **NO OFFER IN THE UNITED STATES**

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, DRAFT LETTER OF OFFER 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 a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form 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 under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer, Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Draft Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

#### **NO OFFER IN ANY JURISDICTION OUTSIDE INDIA**

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND,

THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

### **Consents**

Consents in writing of our Directors, the Registrar to the Issue and the Advisors to the Issue/ Refund Bank 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.

Our Company has received written consent dated October 13, 2021 from our Statutory Auditor, to include their name in this Draft Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated October 13, 2021 in the form and context in which it appears in this Draft Letter of Offer. Such consent has not been withdrawn up to the date of this Draft Letter of Offer.

### **Expert Opinion**

Our Company has received written consent dated October 13, 2021 from our Statutory Auditor to include their name as required in this Draft Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated October 13, 2021 and such consent has not been withdrawn as of the date of this Draft Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the abovementioned documents, provided by our Auditors, our Company has not obtained any expert opinions.

### **Performance vis-à-vis objects – Public/ Rights Issue of our Company**

Apart from our Rights Issue which opened on May 21, 2021 our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Draft Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

### **Performance vis-à-vis objects – Last issue of listed Subsidiaries or Associates**

Our Company does not have any subsidiaries or associate companies as on the date of this Draft Letter of Offer.

### **Filing**

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchanges and not with SEBI. However, the Draft Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

### **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

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. [●] is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

**Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post Issue related matter. All grievances relating to the ASBA process or the R-WAP process may be addressed to the Registrar, with a copy to the SCSBs(in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process) or amount debited (in case of the R-WAP process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process) and copy of the e-acknowledgement (in case of the R-WAP process). For details on the ASBA process and R-WAP, see "*Terms of the Issue*" beginning on page 177 of this Draft Letter of Offer. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:**

#### **Investor Grievances arising out of this Issue**

Investors may contact the Registrar to the Issue at:

#### **Registrar to the Issue**

[●]

Telephone: [●]

E-mail id: [●]

Investor grievance e-mail id: [●]

Contact person: [●]

Website: [●]

SEBI registration number: [●]

**Validity of Registration:** [●]

As on the date of this Draft Letter of Offer, our Company has not appointed Registrar to the Issue. However, our Company confirms that the Registrar to the Issue shall be appointed prior to the filing of the Letter of Offer as required under the applicable laws.

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment/ share certificates/ demat credit/ Refund Orders etc.

Mrs. Monika Soni, Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:

32-A Panchwati Colony

Near Medical Center,

Jhotwara

Jaipur - 302012

Telephone: 011-40450110

E-mail: cs@vikaslifecarelimited.com

## SECTION VII: ISSUE INFORMATION

### TERMS OF THE ISSUE

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

### OVERVIEW

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

#### Important:

#### 1. Dispatch and availability of Issue materials:

In accordance with the SEBI ICDR Regulations, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 1, 2021, our Company will send, only through email, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. This Draft Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access this Draft 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:

- i. our Company at: [www.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com);
- ii. the Registrar to the Issue at [●];
- iii. the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com); and
- iv. the Registrar's web-based application platform at [●] ("R-WAP").

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [●]) 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., [●]).

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible. In light of the current COVID-19 situation, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

2. **Facilities for Application in this Issue:**

**In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue, i.e., R-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP. For details see "- Procedure for Application through the ASBA Process" and "- Procedure for application through the R-WAP" on page 190 of this Draft Letter of Offer.**

- (a) **ASBA facility:** Investors can submit either the Application Form in physical mode to the Designated Branch of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors should note that the ASBA process involves procedures that are different from the procedure under the R-WAP process. Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, see "- **Procedure for Application through the ASBA Process**" on page 189 of this Draft Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular 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.

- (b) **Registrar's Web-based Application Platform (R-WAP):**

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, a separate web-based application platform, i.e., the R-WAP facility (accessible at [●]), has been instituted for making an Application in this Issue by resident Investors. Further, R-WAP is only an additional option and not a replacement of the ASBA process. At the R-WAP, resident Investors can access and submit the online Application Form in electronic mode using the R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat.

**PLEASE NOTE THAT ONLY RESIDENT INVESTORS CAN SUBMIT AN APPLICATION USING THE R-WAP. R-WAP FACILITY WILL BE OPERATIONAL FROM THE ISSUE OPENING DATE. FOR RISKS ASSOCIATED WITH THE R-WAP PROCESS, SEE "RISK FACTORS - THE R-WAP PAYMENT MECHANISM FACILITY PROPOSED TO BE USED FOR THIS ISSUE MAY BE EXPOSED TO RISKS, INCLUDING RISKS ASSOCIATED WITH PAYMENT GATEWAYS" ON PAGE 36 OF THIS DRAFT LETTER OF OFFER.**

For guidance on the Application process through R-WAP and resolution of difficulties faced by the Investors, the Investors are advised to carefully read the the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP..

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, our Company may make use of advertisements in television channels, radio, internet *etc.*,

including in the form of crawlers/ tickers, to disseminate information relating to the Application process in India.

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 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 opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) 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.

Eligible Equity Shareholders 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 Working Days prior to the Issue Closing Date, 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.

4. **Application by Eligible Equity Shareholders holding Equity Shares in physical form:**

In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) 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 two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares **may also apply** in this Issue during the Issue Period. Application by such Eligible Equity Shareholders is subject to following conditions:

- (i) the Eligible Equity Shareholders apply only through R-WAP;
- (ii) the Eligible Equity Shareholders are residents;
- (iii) the Eligible Equity Shareholders are not making payment from non-resident account;
- (iv) the Eligible Equity Shareholders shall not be able to renounce their Rights Entitlements; and
- (v) the Eligible Equity Shareholders shall receive Rights Equity Shares, in respect of their Application, only in demat mode.

Accordingly, such resident Eligible Equity Shareholders are required to, within 6 (six) months from the Allotment Date, send a communication to our Company containing the name(s), Indian 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 post, speed post, courier, electronic mail or hand delivery, to enable process of credit of Rights Equity Shares in such demat account.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in "**Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form**" and "**Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner**" beginning on page 205 of this Draft Letter of Offer.

## **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 Equity 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.

## **Rights Entitlements**

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue 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.

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 to the Issue. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and applying through R-WAP (an additional optional facility).

For details of Application through R-WAP by the Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, see "*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*" and "*Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*" on page 205, respectively of this Draft Letter of Offer.

**Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form only to email addresses of Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. This Draft Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. This Draft Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar, R-WAP, our Company through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchange websites. The distribution of this Draft Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity 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 Draft Letter of Offer has been filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, 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 Draft 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 Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If this Draft 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 Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

## **PRINCIPAL TERMS OF THIS ISSUE**

### **Face Value**

Each Rights Equity Share will have the face value of ₹ 1.

### **Issue Price**

Each Rights Equity Share is being offered at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) in this Issue. On Application, Investors will have to pay ₹ [●] per Rights Equity Share, which constitutes 40% of the Issue Price and the balance ₹ [●] per Rights Equity Share, which constitutes 60% of the Issue Price, will have to be paid, on one or more Call(s), as determined by our Board at its sole discretion, from time to time.

The Issue Price for Rights Equity Shares has been arrived at by our Company as required under the applicable law and has been decided prior to the determination of the Record Date.

### **Rights Entitlements Ratio**

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Share for every [●] Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

### **Renunciation of Rights Entitlements**

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.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible 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.

The renunciation of Rights Entitlements credited in demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer. For details, see "***Procedure for Renunciation of Rights Entitlements***" beginning on page 191 of this Draft Letter of Offer.

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, 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 two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

#### ***Credit of Rights Entitlements in dematerialised account***

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 opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) 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.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting 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. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders 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 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.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

#### ***Trading of the Rights Entitlements***

In accordance with the SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). 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 "- Procedure for Renunciation of Rights Entitlements – On Market Renunciation" and "- Procedure for Renunciation of Rights Entitlements – Off Market Renunciation" beginning on page 177, respectively of this Draft Letter of Offer.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

#### **Terms of Payment**

₹[●] per Rights Equity Share (including premium of ₹ [●] per Rights Equity Share) shall be payable as follows:

	<b>Face value (₹ per Rights Equity Share)</b>	<b>Premium (₹ per Rights Equity Share)</b>	<b>Total (₹ per Rights Equity Share)</b>
On Application	[●]	[●]	[●]
On Call(s) to be made by our Company*	[●]	[●]	[●]
Total	[●]	[●]	[●]

*\* Our Company shall have the right to call up the remaining paid-up capital in one or more Call(s), as determined by our Board at its sole discretion, from time to time.*

Rights Equity Shares in respect of which the Calls payable remains unpaid may be forfeited, at any time after the due date for payment of the balance amount due in accordance with the Companies Act, 2013 and our Articles of Association.

Where an Applicant has applied for additional Rights Equity Shares and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/ blocked shall be refunded/ unblocked. The un-blocking of ASBA funds/ refund of monies shall be completed 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.

#### **Record date for Calls and suspension of trading**

Our Company would fix a Call Record Date giving notice, in advance of such period as may be prescribed under applicable law, to the Stock Exchanges for the purpose of determining the list of Rights Equity Shareholders to whom the notice for the Calls would be sent. Once the Call Record Date has been fixed, trading in the Rights Equity Shares for which the calls have been made may be suspended prior to the Call Record Date.

#### **Procedure for Calls for Rights Equity Shares**

Our Company would convene a meeting of our Board to pass the required resolutions for making the Calls and suitable intimation would be given by our Company to the Stock Exchanges. Further, advertisements for the same will be published in (i) one English national daily newspaper; (ii) one Hindi language national daily newspaper; and (iii) one Hindi language daily newspaper (Hindi being the regional language of Delhi, where our Registered Office is situated), all with wide circulation.

The Calls shall be deemed to have been made at the time when the resolution authorising such Calls are passed at the meeting of our Board. The Calls may be revoked or postponed at the discretion of our Board. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 14 days' notice for the payment of the Calls. Our Board may, from time to time at its discretion, extend the time fixed for the payments of the Calls. Our Company, at its sole discretion and as it may deem fit, may send one or more reminders for the Calls, and if it does not receive the Call Money as per the timelines stipulated unless extended by our Board, the defaulting Rights Equity Shareholders 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.

### **Separate ISIN for Rights Equity Shares**

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, until fully paid-up. The Rights Equity Shares offered under this Issue will be traded under a separate ISIN after each Call for the period as may be applicable under the rules and regulations prior to the record date for the final Call notice. The ISIN representing the Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call Money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid-up and merged with the existing ISIN of our Equity Shares.

### **Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Share and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

### **Credit Rating**

As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.

### **Ranking**

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under

this Issue shall, upon being fully paid up, rank *pari passu* with the existing Equity Shares, in all respects including dividends. In respect of the Rights Equity Shares, Investors are entitled to dividend in proportion to the amount paid up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid-up equity capital of our Company.

#### **Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●] and from the NSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

For an applicable period, from the Call Record Date, the trading of the Rights Equity Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount under the Call notice for the final Call.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 542655) and NSE (Scrip Code: VIKASLIFE) under the ISIN: INE161L01027. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within seven days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within eight 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 eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

#### **Subscription to this Issue by our Promoter and our Promoter Group**

For details of the intent and extent of subscription by our Promoter and the Promoter Group, see "*Capital Structure*" beginning on page 56 of this Draft Letter of Offer.

#### **Rights of Holders of Rights Equity Shares of our Company**

Subject to applicable laws, Rights Equity Shareholders shall have the following rights in proportion to amount paid-up on the Rights Equity Shares:

- a) The right to receive dividend, if declared;
- b) The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Equity Shareholders holding Equity Shares in physical form;
- c) The right to receive surplus on liquidation;
- d) The right to free transferability of Rights Equity Shares;

- e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed under "*Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*" beginning on page 205 of this Draft Letter of Offer; and
- 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.

**Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.**

## **GENERAL TERMS OF THE ISSUE**

### **Market Lot**

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

### **Nomination**

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs 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.

### **Arrangements for Disposal of Odd Lots**

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

### **Notices**

In accordance with the SEBI ICDR Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send, only through email, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. This Draft Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Hindi language daily newspaper with wide circulation (Hindi being the regional

language of Delhi, where our Registered is situated).

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, our Company may make use of advertisements in television channels, radio, internet *etc.*, including in the form of crawlers/ tickers, to disseminate information relating to the Application process in India.

This Draft Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

#### **Offer to Non-Resident Eligible Equity Shareholders/Investors**

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, 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 Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at [●].

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the email address of non-resident Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Investors can access this Draft 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) from the websites of the Registrar, our Company and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident 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.

#### **Please note that only resident Investors can submit an Application using the R-WAP.**

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and the 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 the RBI and to obtain prior approval from RBI for applying in this Issue.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at [●] or [●].

### **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 or the optional mechanism instituted only for resident Investors in this Issue, *i.e.*, R-WAP. Investors should carefully read the provisions applicable to such Applications before making**

**their Application through ASBA or using the R-WAP.**

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, see **"- Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form"** beginning on page 177 of this Draft Letter of Offer.

### **Application Form**

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address of the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email to email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

**Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit [●]. Investors can access this Draft 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) from the websites of:

- i. our Company at [www.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com);
- ii. the Registrar of the Company at [●];
- iii. the Registrar to the Issue at [●];
- iv. the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com); and
- v. the R-WAP at [●].

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar 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.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com)).

The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding 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 Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on R-WAP and make online payment using the internet banking or UPI facility from their own bank account thereat. 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 Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or (ii) the requisite internet banking or UPI details (in case of Application through R-WAP, which is available only for resident Investors).

**Please note that Applications without depository account details shall be treated as incomplete and shall be rejected, except in case of Eligible Equity Shareholders who hold Equity Shares in physical form and are applying in this Issue in accordance with the SEBI Rights Issue Circulars through R-WAP.**

**Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) and R-WAP. Incorrect depository account details or PAN number could lead to rejection of the Application. For details see "- Grounds for Technical Rejection" beginning on page 200 of this Draft Letter of Offer.**

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*" beginning on page 177 of this Draft Letter of Offer.

#### **Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Rights Equity 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 Equity Shares to the full extent of its Rights Entitlements; or
- ii. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii. apply for Rights Equity 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 Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- v. renounce its Rights Entitlements in full.

In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) 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 two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in "*- Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*" and "*- Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*" beginning on page 205 of this Draft Letter of Offer.

#### **Procedure for Application through the ASBA process**

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for 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 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 Application Form, as the case may be, at the time of submission of the Application.

### ***Self-Certified Syndicate Banks***

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

**Please note that subject to SCSBs complying with the requirements of SEBI Circular 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.**

### **Procedure for Application through the R-WAP**

**Resident Investors, making an Application through R-WAP, shall make online payment using internet banking or UPI facility. Prior to making an Application, such Investors should enable the internet banking or UPI facility of their respective bank accounts and such Investors should ensure that the respective bank accounts have sufficient funds. Our Company, the Registrar shall not be responsible if the Application is not successfully submitted or rejected during Basis of Allotment on account of failure to be in compliance with the same. R-WAP facility will be operational from the Issue Opening Date. For risks associated with the R-WAP process, see *"Risk Factors - The R-WAP payment mechanism facility proposed to be used for this issue may be exposed to risks, including risks associated with payment gateways"* on beginning on page 36 of this Draft Letter of Offer.**

Set out below is the procedure followed using the R-WAP:

- a. Resident Investors should visit R-WAP (accessible at [●]) and fill the online Application Form available on R-WAP in electronic mode. Please ensure to provide correct DP ID, Client ID, Folio number (only for resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date), PAN details and all other details sought for while submitting the online Application Form.
- b. Non-resident Investors are not eligible to apply in this Issue through R-WAP.
- c. The Investors should ensure that Application process is verified through the email/ mobile number. Post due verification, the Investors can obtain details of their respective Rights Entitlements and apply in this Issue by filling-up the online Application Form which, among others, will require details of total number of Rights Equity Shares to be applied for. Please note that the Application Money will be determined based on number of Rights Equity Shares applied for.
- d. The Investors who are Renouncees should select the category of 'Renouncee' at the application page of R-WAP and provide DP ID, Client ID, PAN and other required demographic details for validation. The Renouncees shall also be required to provide the required Application details, such as total number of Rights Equity Shares to be applied for.
- e. Prior to making an Application, the Investors should enable the internet banking or UPI facility of their respective bank accounts and the Investors should ensure that the respective bank accounts have sufficient funds. If the funds available in the bank account are less than total amount payable on submission of online Application Form, such Application shall be rejected. Please note that R-WAP is a non-cash mode mechanism in accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020.
- f. The Investors shall make online payment using internet banking or UPI facility from their own bank account only. Such Application Money will be adjusted for either Allotment or refund. Applications made using payment from third party bank accounts will be rejected.
- g. Verification in respect of Application through Investors' own bank account, shall be done through the latest beneficial position data of our Company containing Investor's bank account details, beneficiary account details provided to the depository, penny drop, cancelled cheque for joint holder verification and such other industry accepted and tested methods for online payment.
- h. The Application Money collected through Applications made on the R-WAP will be credited to the

Escrow Account, opened by our Company with the Escrow Collection Bank.

### **Acceptance of this Issue**

Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and (ii) the R-WAP facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

**Applications submitted to anyone other than the Designated Branches of the SCSB or using R-WAP 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*" beginning on page 177 of this Draft Letter of Offer.

### **Additional Rights Equity Shares**

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Equity 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 Equity 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*" beginning on page 177 of this Draft Letter of Offer.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.**

Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, Such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process or using the R-WAP.

### **Procedure for Renunciation of Rights Entitlements**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off-market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/ her own demat account prior to the renunciation.

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.

*a. On Market Renunciation*

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/ selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN [●] subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the 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 and NSE 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 the Stock Exchanges and the SEBI.

*b. 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 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. 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 Application Form for any purpose including renunciation even if it is received subsequently.

**PLEASE NOTE THAT APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED THROUGH R-WAP.**

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 Reliance Industries 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 Equity Shares entitled to;
7. Number of Rights Equity Shares applied for within the Rights Entitlements;
8. Number of additional Rights Equity Shares applied for, if any;
9. Total number of Rights Equity Shares applied for;
10. Total amount paid at the rate of ₹ [●] per Rights Equity 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 Equity 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); nd
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 Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "US Securities Act"), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold (i) in offshore transactions outside the United States in compliance with Regulation S under the US Securities Act ("Regulation S") to existing shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and other exemptions from the registration requirements of the US Securities Act. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable*

*securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and the United States and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

*I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.*

*For Resident Applicants: I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Draft Letter of Offer titled "**Restrictions on Purchases and Resales**" on page 216 of this Draft Letter of Offer (if I am/we are outside the United States).*

*For Non-Resident Applicants: I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Draft Letter of Offer titled "Restrictions on Purchases and Resales" under the sub-heading "– United States – For Investors in the United States" (if I am/we are in the United States) or under the sub-heading "– United States – For Investors Outside of the United States" (if I am/we are outside the United States).*

*I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [●].

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**

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, 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 Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

For details of mode of payment in case of Application through R-WAP, see "*Procedure for Application through the R-WAP*" beginning on page 190 of this Draft Letter of Offer.

#### **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 Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) 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 two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares **may also apply** in this Issue during the Issue Period. Such Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in "*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*" and "*Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*" beginning on pages [●] and [●], respectively of this Draft Letter of Offer. To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit the website of the registrar.

#### **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 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. The Eligible Equity Shareholders are encouraged to send the details by email due to lockdown and restrictions imposed due to current pandemic COVID-19;
- 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 Application Form from:
  - R-WAP, the website of the Registrar ([●]);
  - our Company [www.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com);

- the Stock Exchanges (at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)). Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, [●]) 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.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com));
- d) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) fill the online Application Form available on R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat.

Further, (a) Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) resident 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 two Working Days prior to the Issue Closing Date, may also apply in this Issue during the Issue Period by filling the online Application Form available on R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat, on or before the Issue Closing Date. Such resident Eligible Equity Shareholders may be required to submit address, email address, contact details, copy of PAN, for verification of their Application. Further, such resident Eligible Equity Shareholder can:

- (a) apply for its Rights Equity Shares to the full extent of its Rights Entitlements;
- (b) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); and
- (c) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares.

**PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

For details of credit of the Rights Equity Shares to such resident Eligible Equity Shareholders, see "*Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*" beginning on page 205 of this Draft Letter of Offer.

#### **Allotment of the Rights Equity Shares in Dematerialized Form**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE "ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" BEGINNING ON PAGE 177 OF THIS DRAFT LETTER OF OFFER.**

#### **General instructions for Investors**

- a) Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) 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 two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in "*- Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*" and "*- Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner*" beginning on page 205 respectively of this Draft Letter of Offer.

- c) Please read the instructions on the Application Form sent to you.
- d) The Application Form can be used by both the Eligible Equity Shareholders and the Renouncees.
- e) Application should be made only through the ASBA facility or using R-WAP.
- f) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "*- Application on Plain Paper under ASBA process*" beginning on page 177 of this Draft Letter of Offer.
- h) 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 or the optional mechanism instituted only for resident Investors in this Issue, *i.e.*, R-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP.
- i) 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.
- j) In case of Application through R-WAP, the Investors should enable the internet banking or UPI facility of their respective bank accounts.
- k) Applications should be (i) 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, or (ii) filled on the R-WAP. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and (ii) the R-WAP facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- l) 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) or our Company.
- m) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- n) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such**

**Investors.**

- o) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Furthermore, in case of Applications submitted using the R-WAP facility, payments shall be made using internet banking or UPI facility. 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.
- p) 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.
- q) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- r) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/ DP ID and Client ID and 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.
- s) Only persons outside the United States located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.
- t) 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.
- u) 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.
- v) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- w) 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 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.

***Don'ts:***

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (e) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (f) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (g) Do not submit multiple Applications.

***Do's for Investors applying through ASBA:***

- (a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the 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 total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- (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 Application Form in physical form or plain paper Application.
- (g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

***Do's for Investors applying through R-WAP:***

- (a) Ensure that the details of the correct bank account have been provided while making payment along with submission of the Application.

- (b) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in the bank account through which payment is made using the R-WAP.
- (c) Ensure that you make the payment towards your application through your bank account only and not use any third-party bank account for making the payment
- (d) Ensure that you receive a confirmation email on successful transfer of funds.
- (e) Ensure you have filled in correct details of PAN, folio number, DP ID and Client ID, as applicable, and all such other details as may be required.
- (f) Ensure that you receive an acknowledgement from the R-WAP for your submission of the Application

***Don'ts for Investors applying through ASBA:***

- (a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.
- (b) Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

***Don'ts for Investors applying through R-WAP:***

- (a) Do not apply from bank account of third parties.
- (b) Do not apply if you are a non-resident Investor.
- (c) Do not apply from non-resident account.

**Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
- (c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (d) Funds in the ASBA Account whose details are mentioned in the 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 application Form for Rights Entitlements available in a particular demat account.
- (g) Multiple Application Forms, including cases where an Investor submits 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) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- (l) Physical Application Forms not duly signed by the sole or joint Investors.
- (m) 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) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/ or renouncing the Application Form is not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.

Applications under the R-WAP process are liable to be rejected on the following grounds (in addition to above applicable grounds):

- (a) Applications by non-resident Investors.
- (b) Payment from third party bank accounts.

**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 OR THROUGH THE R-WAP PROCESS (AVAILABLE ONLY FOR RESIDENT INVESTORS), TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN**

**JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

**Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.**

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

**The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.**

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

### **Modes of Payment**

All payments against the Application Forms shall be made only through ASBA facility or internet banking or UPI facility if applying through R-WAP. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking or UPI facility if applying through R-WAP.

#### *Mode of payment for Resident Investors*

All payments on the Application Forms shall be made only through ASBA facility or internet banking or UPI facility if applying through R-WAP. Applicants are requested to strictly adhere to these instructions.

#### *Mode of payment for Non-Resident Investors*

As regards the Application by non-resident Investors, the following conditions shall apply:

1. Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar and our Company.

*Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions (other than the United States and India) where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. This Draft Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.*

2. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
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 Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act.
2. In case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity 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 Equity 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***" beginning on page 177 of this Draft Letter of Offer.

In cases where multiple Application Forms are submitted, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoter or members of Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in "***Capital Structure***" beginning on page 56 of this Draft Letter of Offer.

**Last date for Application**

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], *i.e.*, Issue Closing Date. 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 Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB or if the Application Form is not accepted at the R-WAP, 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 this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the section, "***Basis of Allotment***" beginning on page 177 of this Draft Letter of Offer.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and (ii) the R-WAP facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

### 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 or sending the email withdrawal request to [●] in case of Application through R-WAP facility. However, no Investor, whether applying through ASBA facility or R-WAP facility, may withdraw their Application post the Issue Closing Date.

### Issue Schedule

<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.*

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 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 one day before the Issue Closing Date.

For details, see "**General Information - Issue Schedule**" beginning on page 50 of this Draft Letter of Offer. Our Board may however decide 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).

### Basis of Allotment

Subject to the provisions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights 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 Equity 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, 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 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 may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board 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.

For Applications through R-WAP, instruction will be sent to Escrow Collection Bank with list of Allottees and corresponding amount to be transferred to the Allotment Account. Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank to refund such Applicants.

#### **Allotment Advice or Refund/ Unblocking of ASBA Accounts**

Our Company will email Allotment advice, refund intimations (including in respect of Applications made through R-WAP facility) or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights 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 unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days' period.

In case of Applications through R-WAP, refunds, if any, will be made to the same bank account from which Application Money was received. Therefore, the Investors should ensure that such bank accounts remain valid and active.

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.

#### **Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner**

In case of Allotment to resident Eligible Equity Shareholders who hold Equity Shares in physical form as on

Record Date, have paid the Application Money and have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, the following procedure shall be adhered to:

- (a) the Registrar shall send Allotment advice and credit the Rights Equity Shares to a demat suspense account to be opened by our Company;
- (b) within 6 (six) months from the Allotment Date, such Eligible Equity Shareholders shall be required to send a communication to our Company or the Registrar containing the name(s), Indian 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 post, speed post, courier, electronic mail or hand delivery;
- (c) Our Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Rights Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders;
- (d) In case of non-receipt of details of demat account as per (b) above, our Company shall conduct a sale of such Rights Equity Shares lying in the demat suspense account on the floor of the Stock Exchanges at the prevailing market price and remit the proceeds of such sale (net of brokerage, applicable taxes and 303 administrative and incidental charges) to the bank account mentioned by the resident Eligible Equity Shareholders in their respective Application Forms and from which the payment for Application Money was made. In case such bank accounts cannot be identified due to any reason or bounce back from such account, our Company may use payment mechanisms such as cheques, demand drafts, *etc.* to such Eligible Equity Shareholders to remit such proceeds. Such Rights Equity Shares may be sold over such period of time as may be required, depending on liquidity and other market conditions on the floor of the Stock Exchanges after the expiry of the period mentioned under (b) above. Therefore, such proceeds (net of brokerage, applicable taxes and administrative and incidental charges) by way of sale of such Rights Equity Shares may be higher or lower than the Application Money paid by such Eligible Equity Shareholders;
- (e) Our Company shall send reminder notices seeking the requisite details of demat account prior to expiry of time period under (b) above, in due course, to such resident Eligible Equity Shareholders who have not provided the requisite details. After expiry of time period under (b) above, our Company or the Registrar shall not accept any requests by such Eligible Equity Shareholders for updation of details of demat account under any circumstances, including in case of failure to sell such Rights Equity Shares;
- (f) After the consummation of the sale of Rights Equity Shares on the floor of the Stock Exchanges, our Company shall send an intimation to the respective Eligible Equity Shareholders, giving details of such sale, including the sale price and break-up of net brokerage, taxes and administrative and incidental charges; and
- (g) If at the time of transfer of sale proceeds for default cases, the bank account from which Application Money was received is closed or non-operational, such sale proceeds will be transferred to IEPF in accordance with practice on Equity Shares and as per applicable law.
- (h) In case the details of demat account provided by the Eligible Equity Shareholders are not of his/ her own demat account, the Rights Equity Shares shall be subject to sale process specified under (d) above.

**Notes:**

1. Our Company will open a separate demat suspense account to credit the Rights Equity Shares in respect of such Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date and have not provided details of their demat accounts to our Company or the Registrar, at least two Working Days prior to the Issue Closing Date. Our Company, with the assistance of the Registrar, will initiate transfer of such Rights Equity Shares from the demat suspense account to the demat account of such Eligible Equity Shareholders, upon receipt of details of demat accounts from the Eligible Equity Shareholders.

2. The Eligible Equity Shareholders cannot trade in such Rights Equity Shares until the receipt of demat account details and transfer to such Eligible Equity Shareholders' respective account.
3. There will be no voting rights against such Rights Equity Shares kept in the demat suspense account. However, the respective Eligible Equity Shareholders will be eligible to receive dividends, if declared, in respect of such Rights Equity Shares in proportion to amount paid-up on the Rights Equity Shares, as permitted under applicable laws.
4. Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. The Eligible Equity Shareholders should obtain their own independent tax and legal advice and may not rely on our Company or any of their affiliates including any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Rights Equity Shares (including but not limited to any applicable short-term capital gains tax, or any other applicable taxes or charges in case of any gains made by such Eligible Equity Shareholders from the sale of such Rights Equity Shares).

**Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not be liable in any manner and not be responsible for acts, mistakes, errors, omissions and commissions, etc., in relation to any delay in furnishing details of demat account by such Eligible Equity Shareholders, any resultant loss to the Eligible Equity Shareholders due to sale of the Rights Equity Shares, if such details are not correct, demat account is frozen or not active or in case of non-availability of details of bank account of such Eligible Equity Shareholders, profit or loss to such Eligible Equity Shareholders due to aforesaid process, tax deductions or other costs charged by our Company, or on account of aforesaid process in any manner.**

## **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. Please note that payment of refund in case of Applications made through R-WAP, shall be through modes under (b) to (g) below.

- (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 centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- (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 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.

**In case of Application through R-WAP, refunds, if any, will be made to the same bank account from which Application Money was received. Therefore, the Investors should ensure that such bank accounts remain valid and active.**

***Refund payment to non-residents***

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

**Allotment Advice or Demat Credit of Securities**

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, *etc.*) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

***Receipt of the 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 HOLDING EQUITY SHARES IN PHYSICAL FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/ REVERSED/ FAILED.**

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement with NSDL and with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

**INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of

the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the 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 Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, *etc.*). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. 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.

**Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares in this Issue must check the procedure for application by and credit of Rights Equity Shares to such Eligible Equity Shareholders in "- Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form" and "- Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form" beginning on page 205, respectively of this Draft Letter of Offer.**

#### **Procedure for Applications by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue,

subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against 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 (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

### **Procedure for Applications by AIFs, FVCIs and VCFs**

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility or using R-WAP (available only for residents). 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.

### **FDI Restrictions**

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate 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 Shareholders**"), 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 Shareholders will also require prior approval of the Government of India and each Shareholders should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Shareholders 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 financial statements is required to be attached to the application.

#### **Impersonation**

**As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:**

*"Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447. "*

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 1 million or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 5 million or with both.

#### **Disposal of Application and Application Money**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form and the R-WAP platform would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application. Our Board 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 or refunded to the Investors in the same bank account through which Application Money was received, in case of an application using the R-WAP facility. 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 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law. For further instructions, please read the Application Form carefully.

#### **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) above shall be disclosed, and

continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

### **Undertakings by our Company**

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
3. The funds required for making refunds / unblocking 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 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 and record all Applications made under the R-WAP process.
7. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

### **Minimum Subscription**

In accordance with Regulation 86 of the SEBI ICDR Regulations, for this Issue the minimum subscription which is required to be achieved is of at least 90% of the Issue size. Our Company does not fall under the exemption to Regulation 86(1) which has been inserted by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020.

If our Company does not receive the minimum subscription of at least 90% of the Issue size, or the subscription level falls below 90%, after the Issue Closing Date on account of cheques being returned unpaid or withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws.

Further, our Promoters and Promoter Group have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group) subject to the aggregate shareholding of our Promoters and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI Listing Regulations.

### **Important**

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "[●]" on the envelope and postmarked in India or in the email) to the Registrar at the following address:  
  
[●]
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 ([●]). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are [●].

This Issue will remain open for a minimum 15 days. However, our Board 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 Closing Date).

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, 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 manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ("**DPIIT**"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 ("**FDI Circular 2020**"), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("**OCBs**") have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Advisors are not liable for any amendments or modification 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 investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## **RESTRICTIONS ON PURCHASES AND RESALES**

### **General Eligibility and Restrictions**

No action has been taken or will be taken to permit a public offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer, its accompanying documents or any other material relating to our Company, the Rights Entitlements or the Rights Equity Shares in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with SEBI and the Stock Exchanges. The Rights Entitlements, Rights Equity Shares and Equity Shares have not been and will not be registered under the US Securities Act and may not be offered or sold within the United States. The Rights Entitlements or the Rights Equity Shares may not be offered or sold, directly or indirectly, and none of this Draft Letter of Offer, its accompanying documents or any offering materials or advertisements in connection with the Rights Entitlements or the Rights Equity Shares may be distributed or published in or from any country or jurisdiction except in accordance with the legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares. This Draft Letter of Offer and its accompanying documents will be supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out below.

### **United States**

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly within the United States. The Rights Entitlements and Rights Equity Shares referred to in this Draft Letter of Offer are being offered in offshore transactions outside the United States in compliance with Regulation S under the US Securities Act and other exemptions from the registration requirements of the US Securities Act. Neither receipt of this Draft Letter of Offer, nor any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholder who has received this Draft Letter of Offer and its accompanying documents directly from our Company or the Registrar.

### ***For Investors Outside of the United States***

The Rights Entitlements and the Rights Equity Shares offered outside the United States are being offered in offshore transactions in reliance on Regulation S. Each person outside of the United States by accepting the delivery of this Draft Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the "purchaser", which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

- a) The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the US Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.

- b) No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any "directed selling efforts" in the United States (as such term is defined in Regulation S under the Securities Act).
- c) The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
- d) The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

## **STATUTORY AND OTHER INFORMATION**

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 in which the Equity Shares are held by such Investor on the Record Date/ Call Record Date, or (b) demat suspense account where the credit of the Rights Entitlements returned/ reversed/ failed.

**Material contracts and time and place of inspection which shall include copies of the Annual Reports of the issuer for the last five years.**

Material contracts shall be available at the website of the Company, as may be required under law which may be assessed by the investors. The material contracts including copies of the Annual Reports of the Company shall be available at the Registered Office of the Company for inspection between 10.00 am to 5.00 pm on all working days from the date of the Letter of Offer until the closing date.

## SECTION VIII: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following are the copies of contracts which have been entered or are otherwise proposed to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at [www.vikaslifecarelimited.com](http://www.vikaslifecarelimited.com) from the date of this Draft Letter of Offer until the Issue Closing Date.

#### I. Material Contracts for the Issue

- (i) Registrar Agreement dated [●] entered into amongst our Company and the Registrar to the Issue;
- (ii) Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

#### II. Material Documents

- (i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- (ii) Annual Reports of the Company for the past three years.
- (iii) Certificate of incorporation dated November 9, 1995.
- (iv) Certificate of incorporation dated May 29, 2001 issued post change of name from Akshatha Management Consultants Private Limited to Akshatha Service Private Limited.
- (v) Certificate of incorporation dated December 29, 2008 issued post change of name from Akshatha Service Private Limited to Moonlite Technochem Private Limited.
- (vi) Certificate of incorporation dated November 1, 2016 issued post conversion of our Company to a public company.
- (vii) Certificate of incorporation dated January 24, 2017 issued post change of name from Moonlite Technochem Limited to Vikas Multicorp Limited.
- (viii) Certificate of incorporation dated January 24, 2017 issued post change of name from Vikas Multicorp Limited to Vikas Lifecare Limited.
- (ix) Order copy dated October 31, 2018 of the National Company Law Tribunal, Principal Bench, New Delhi dated March October 31, 2018 approving the Scheme of Arrangement.
- (x) Information Memorandum for listing of 66,34,95,495 Equity Shares of the Company dated May 01, 2019.
- (xi) Letter of Offer dated May 21, 2021 of our Company for raising ₹ 4,909.87 Lakhs by way of Rights Issue.
- (xii) Resolution of the Board of Directors dated August 25, 2021 in relation to the Issue.
- (xiii) Resolution of the Rights Issue Committee dated October 13, 2021 approving and adopting this Draft Letter of Offer.
- (xiv) Report of our Statutory Auditors on our Financial Statements included in this Draft Letter of Offer.
- (xv) Consent of our Directors, Company Secretary and Compliance Officer, Statutory Auditor, Advisor to the Issue, the Registrar to the Issue, Banker to the Issue/ Refund Bank for inclusion of their names in the Draft Letter of Offer in their respective capacities.
- (xvi) Statement of Tax Benefits dated [●] from the Statutory Auditor included in this Draft Letter of Offer.
- (xvii) Tripartite Agreement between our Company, Depository and the Registrar to the Issue.
- (xviii) In-principle listing approvals dated [●], 2021 and [●], 2021 from the BSE and the NSE, respectively.

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 reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Draft Letter of Offer are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

\_\_\_\_\_  
**Mr. Vivek Garg**  
(Executive Managing Director)

Sd/-

\_\_\_\_\_  
**Mr. Vikas Garg**  
(Non-Executive - Non-Independent Director)

Sd/-

\_\_\_\_\_  
**Mrs. Richa Sharma**  
(Non-Executive - Independent Director,  
Chairperson)

Sd/-

\_\_\_\_\_  
**Mr. Anil Kumar Deswal**  
(Non-Executive - Independent Director)

Sd/-

\_\_\_\_\_  
**Mrs. Preeti Gupta**  
(Non-Executive - Independent Director)

Sd/-

\_\_\_\_\_  
**Mr. Vijay Kumar Sharma**  
(Chief Executive Officer – Executive Director)

Sd/-

\_\_\_\_\_  
**Ms. Ruby Bansal**  
(Non-Executive - Independent Director)

Sd/-

\_\_\_\_\_  
**Mr. Arvind Gupta**  
(Director of Finance – Chief Financial Officer)

### SIGNED BY THE CHIEF FINANCIAL OFFICER & COMPANY SECRETARY OF OUR COMPANY:

Sd/-

\_\_\_\_\_  
**Mr. Arvind Gupta**  
(Chief Financial Officer)

Sd/-

\_\_\_\_\_  
**Mrs. Monika Soni**  
(Company Secretary and Compliance Officer)

**Date:** [●], 2021

**Place:** Delhi