

Date: 26.10.2021

To,

Securities and Exchange Board of India
Corporation Finance Department
Division of Issue and Listing
5th Floor, Bank of Baroda Building, 16
Sansad Marg, New Delhi- 110001

Dear Sir/Ma'am,

SUBJECT: SUBMISSION OF DRAFT LETTER OF OFFER AND OTHER SUPPORTING DOCUMENTS AS REQUIRED UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 FOR BRINGING OUT THE RIGHTS ISSUE OF MOHINDRA FASTENERS LIMITED (THE "COMPANY").

We at Intellicity Capital Advisers Private Limited, a Category I Merchant Banker are herewith submitting the Draft Letter of Offer along with all other supporting documents (3 physical copy sets) as required under the SEBI ICDR Regulations, 2018 for bringing out the proposed Rights Issue of the Company.

Please find all the requisite documents and kindly let us know if any further information is required from our end. We tried uploading the said documents online via the dedicated Merchant Banker login portal, but are facing certain technical issues regarding the same. Pertaining to which, we sent out an email correspondence from our end on 25.10.2021, in reply to which we received the communication that the MIRSD Department be contacted for the same. Our office tried doing as directed, but to no resolve and were only directed from one department to another by a telephonic communication and towards the end, we were cut off. Please look into the matter accordingly and guide us for the same at the earliest.



Intellicity Capital Advisers Private Limited (CIN - U74140DL2005PTC137680)

(011) 47366600 93, Pocket-2, Jasola, New Delhi-110025
info@intellicitycapital.com www.intellicitycapital.com



Hoping to hear from you at the earliest and kindly inform us whether the receipt of these physical sets of the DLOF and other documents suffice and the 30 days observation period starts on the receipt of these physical sets by your good office.

Regards,

Govind Roy

Designation: Manager – Legal

Intellicity Capital Advisers Private Limited

Contact Number: +91-9350218303

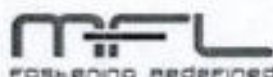
Email: info@intellicitycapital.com

Place: New Delhi

Date: 26.10.2021

Encl.:

- 1- Draft Letter of Offer
- 2- Certificate Confirming Agreement between Lead Manager(s) and Issuer Under Regulation 71 (2) of Securities And Exchange Board Of India (Issue of Capital And Disclosure Requirements) Regulations, 2018
- 3- Certificate Confirming Compliance of the Conditions Specified Under Part F of Schedule VI of Securities and Exchange Board of India (Issue Of Capital And Disclosure Requirements) Regulations, 2018
- 4- Due Diligence Certificate and Checklist Indicating Compliance With Chapter III and Part B Of Schedule VI And Schedule IX of The Securities And Exchange Board Of India (Issue Of Capital And Disclosure Requirements) Regulations, 2018
- 5- In-Principal Approval received from MSEI, Designated Stock Exchange.



MOHINDRA FASTENERS LIMITED

MOHINDRA FASTENERS LIMITED ("Company" or "Issuer") was incorporated as a Public Limited Company on 10th January, 1995 under the Companies Act, 1956 with the Registrar of Companies, Delhi and consequently the Certificate of Commencement of business was obtained by the Company on 22nd February, 1995 and began the commercial production in the beginning of 1997. Over the years, it has successfully emerged as a name to reckon with in the Indian Fastener industry. The Company offers a wide range of cold and hot forged fasteners and precision machined components for automotive and industrial applications.

Registered Office: 304 Gupta Arcade, Inner Enclave Delhi-Rohat Road, New Delhi, 110087.
Corporate Office: 303-304, Dimension Vardman Plaza, Paschim Vihar, Delhi-Rohat Road, Delhi-110087
Telephone: +91 11 46200400, 46200401; **Website:** www.mohindra.asia
Contact Person: Ms. Nidhi Pathak, Company Secretary and Compliance Officer, E-mail: csnidhipathak@mohindra.asia
Corporate Identification Number: L74899DL1995PLC064215

OUR PROMOTERS: DEEPAK ARNEJA, RAVINDER MOHAN JUNEJA, RANBIR SINGH NARANG, SUDHIR ARNEJA, ANURAG ARNEJA.

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF MOHINDRA FASTENERS LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

WE HEREBY CONFIRM THAT NONE OF OUR PROMOTERS OR DIRECTORS IS A WILFUL DEFAULTER AS ON DATE OF THIS DRAFT LETTER OF OFFER

ISSUE OF [•] EQUITY SHARES WITH A FACE VALUE OF ₹ 10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF [•] PER EQUITY SHARE) (THE "ISSUE PRICE") FOR AN AGGREGATE AMOUNT OF ₹ 4,82,11,200 CRORES ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [•] RIGHTS EQUITY SHARE(S) FOR EVERY [•] FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [•] (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [•] TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE NUMBER 121 OF THIS DRAFT LETTER OF OFFER.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Rights Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Specific attention of investors is invited to the section titled "Risk Factors" on page number 20 of this Draft Letter of Offer before making an investment in the Issue.

OUR COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The existing Equity Shares are listed on the Metropolitan Stock Exchange of India Limited ("MSEI") (the "Stock Exchange"). Our Company has received 'in-principle' approval from the MSEI for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letter dated [•] respectively. For the purpose of this Issue, the Designated Stock Exchange is MSEI. For details of the material contracts and documents available for inspection from the date of this Draft Letter of Offer up to the Issue Closing Date, see "Material Contracts and Documents for Inspection" on page number 144.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



Intellicity Capital Advisers Private Limited
Plot No.-93 Pocket-2, First Floor, Jasola,
Near DAV Public School, Delhi-110025
Email Id- info@intellicitycapital.com
SEBI Registered Category I Merchant Banker
SEBI Registration No: INM000012777
Telephone: +011-46377700
Investor grievance E-mail: investorsrelation@intellicitycapital.com
Website: www.intellicitycapital.com
Contact Person: Mr. Govind Roy



Skyline Financial Services Pvt. Ltd.
D-153/A, 1st Floor, Okhla Industrial Area
Phase-I, New Delhi- 110020
Phone No- 011- 40450193-97
Email: admin@skylinert.com
Website: www.skylinert.com
Contact Person: Mr. Virender Rana
SEBI Registration No.: INR000003241

ISSUE PROGRAMME

ISSUE OPENS ON

LAST DATE FOR RECEIVING REQUESTS
FOR APPLICATION FORMS

ISSUE CLOSES ON

[•]

[•]

[•]

[Handwritten signatures and initials are present below the table, including 'Gagan', 'Aditya', 'Hansy', and 'Prakash']

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

SECTION I – GENERAL	4
DEFINITIONS AND ABBREVIATIONS	4
NOTICE TO INVESTORS	10
PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA	13
FORWARD LOOKING STATEMENTS	15
SUMMARY OF THE DRAFT LETTER OF OFFER	16
SECTION II – RISK FACTORS	20
SECTION III – INTRODUCTION SUMMARY OF FINANCIAL INFORMATION	26
THE ISSUE	26
GENERAL INFORMATION	27
CAPITAL STRUCTURE	32
OBJECTS OF THE ISSUE	35
STATEMENT OF TAX BENEFITS	39
SECTION IV – ABOUT THE COMPANY	42
HISTORY AND CORPORATE STRUCTURE	42
OUR MANAGEMENT	46
SECTION V – FINANCIAL INFORMATION	49
FINANCIAL STATEMENTS	49
ACCOUNTING RATIOS AND CAPITALISATION STATEMENT	111
STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY	112
SECTION VI – LEGAL AND OTHER INFORMATION	113
OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS	113
GOVERNMENT AND OTHER APPROVALS	114
OTHER REGULATORY AND STATUTORY DISCLOSURES	115
SECTION VII – ISSUE INFORMATION	121
TERMS OF THE ISSUE	121
GENERAL TERMS OF THE ISSUE	127
SECTION VIII – STATUTORY OTHER INFORMATION	144
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	144
DECLARATION	145

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

In this Draft Letter of Offer, unless the context otherwise requires, the terms defined, and abbreviations expanded below shall have the same meaning as stated in this section. The words and expressions used in this document but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. References to statutes, rules, regulations, guidelines, and policies will be deemed to include all amendments, replacements and modifications notified thereto as on the date of this Draft Letter of Offer. The following list of capitalized terms used in this document is intended for the convenience of the reader/prospective investor only and is not exhaustive.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to “our Company”, “the Company” and “the Issuer”, are references to Mohindra Fasteners Limited. References to “we”, “us” and “us” are references to Mohindra Fasteners Limited. References to “you” are to the prospective investors in the Issue.

Notwithstanding the foregoing, terms under the sections titled “Industry Overview”, “Statement of Tax Benefits”, “Financial Statements” and “Outstanding Litigation and Other Defaults” shall have the meanings given to such terms in these respective sections/chapters.

Company Related Terms

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer”, “Mohindra Fasteners Limited” or “MFL”	Mohindra Fasteners Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at 304 Gupta Arcade, Inder Enclave, Delhi-Rohtak Road, New Delhi-110087
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company
“Articles” / “Articles of Association” / “AoA”	Articles of Association of our Company, as amended from time to time
“Audit Committee”	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and Section 177 of the Companies Act, 2013. For details, see “Our Management” on page number 46 of this Draft Letter of Offer
“Audited Financial Statements”	The Audited Financial Statements of our Company as at and for the year ended March 31, 2021 prepared in accordance with Indian AS
“Auditors” / “Statutory Auditors”	The current statutory auditors of our Company, M/s B. L. Khandelwal & Co (Practicing Chartered Accountant)
“Board” / “Board of Directors” / “Our Board”	The Board of Directors of our Company or any duly constituted committee thereof, as the context may require
“Chief Financial Officer/CFO”	Sunil Mishra, the Chief Financial Officer of our Company
“Company Secretary and Compliance Officer”	Nidhi Pathak, 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 Share(s)"	The fully paid-up equity share(s) of our Company having a face value of Rs.10 each
"Executive Directors"	Executive Directors of our Company, unless otherwise specified. For further information, please read "Our Management" on page number 46 of this Draft Letter of Offer.
"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
"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 "Our Management – Key Managerial Personnel" on page number 46 of this Draft Letter of Offer.
"Limited Reviewed Financial Information" or "Limited Reviewed Financial Statements" or "Limited Reviewed Financial Statements" or "Limited Reviewed Financial Information"	The limited reviewed unaudited financial statements for the three months periods ended June 30, 2021, prepared in accordance with the Companies Act and SEBI Listing Regulations. For details, see "Financial Information" on page number 49, of this Draft Letter of Offer.
"Memorandum"/ "Memorandum of Association" / "MOA"	Memorandum of Association of our Company, as amended
"Promoter(s)"	The Promoters of the Company being: Deepak Arneja, Ravinder Mohan Juneja, Ranbir Singh Narang, Sudhir Arneja, Anurag Arneja. For further details, see "Our Promoters" on page 46 of this Draft Letter of Offer.
"Promoter Group"	The promoter group of our Company as determined in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations
"Registered Office" and "Corporate Office"	Registered Office: 304, Gupta Arcade, Inder Enclave Delhi-Rohtak Road, New Delhi-110087 & Corporate Office: 303-304, Vardhman Plaza, Inder Enclave, Paschim Vihar, Delhi-Rohtak Road, New Delhi-110087
"Rights Issue Committee"	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
"Shareholders/Equity Shareholders"	The Equity Shareholders of our Company, from time to time.
"Stakeholders' Relationship Committee"	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations. For details, see "Our Management" on page number 46 of this Draft Letter of Offer.

Issue Related Terms

Term	Description
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
Self-Certified Syndicate Bank or "SCSBs"	The banks which are registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA, including blocking of bank account and a list of which is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=34
"Abridged Letter of Offer/ ALOF"	The abridged letter of offer to be sent to the Eligible Equity Shareholders of our Company with respect to this Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act
"Allot / Allotment / Allotted"	Unless the context otherwise requires, the allotment of Rights Equity Shares pursuant to the Issue
"Allotment Date"	The date on which the Allotment is made pursuant to the Issue
"Allottee(s)"	The successful applicant(s) eligible for Allotment of Rights Equity Shares pursuant to the Issue
"Applicant(s) / Investor(s)"	Eligible Equity Shareholders and/or Renouncee(s) who are entitled to apply or have applied for Rights Equity Shares under the Issue, as the case may be

"Application"	Application made through (i) submissions 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 ASB process, or (ii) filling the online Application Form available on R-WAP, to subscribe to the Rights 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 at R-WAP facility or through the website of the SCSBs (if made available by such SCSBs under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
"Application Money"	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue for at the Issue Price
"ASBA / Application Supported by Blocked Amount"	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 CAF or plain paper application, as the case may be, for blocking the amount mentioned in the CAF, or the plain paper application, in case of Eligible Equity Shareholders, as the case may be
"ASBA Applicant(s) / ASBA Investor(s)"	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renouncee) shall make an application for a rights issue only through ASBA facility.
"Banker to the Issue"	Collectively, the Escrow Collection Bank and the Refund Banks to the Issue.
"CDSL"	Central Depository Services (India) Limited
"Common Application Form / CAF"	The application form used by Investors to make an application for Allotment under the Issue
"Controlling Branches"	The branches of the SCSBs which coordinate with the Registrar to the Issue, the Manager and the Stock Exchanges and a list of which is available at
"Depository(ies)"	NSDL and CDSL or any other depository registered with SEBI under Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, read with the Depositories Act, 1996
"Designated Branches"	Such branches of the Banker to the Issue i.e. ICICI Bank Limited which shall collect Common Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available at
"Demographic Details"	Demographic details of Investors available with the Depositories, including address and bank account details
"Designated Stock Exchange"	MSEI Limited
"DP"	Depository Participant
"Draft Letter of Offer/DLOF"	This draft letter of offer dated [●] filed with SEBI and which does not contain complete terms of the number of Rights Equity Shares proposed to be offered in the Issue in accordance with the SEBI ICDR Regulations
"Eligible Equity Shareholder"	A holder / beneficial owner of Equity Shares as on the Record Date
"Equity shares"	Equity shares of our Company of face value of Rs. 10 each
"FVCI(s)"	Foreign venture capital investors, as defined in and registered under the FVCI Regulations
"Issue Agreement"	The agreement entered into on March 16, 2021 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue

"Issue"	Issue of up to [●] fully paid-up equity shares of face value of Rs. 10 /- each of our Company for cash at a price of [●] (including a premium of [●]) per Equity Share for an amount aggregating up to Rs. 482.11 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 such Eligible Equity Shareholders on the Record Date.
"Issue Closing Date"	[●]
"Issue Opening Date"	[●]
"Issue Price"	[●]
"Issue Proceeds"	The gross proceeds raised through the Issue
"Lead Manager"	Intellicity Capital Advisers Private Limited
"Letter of Offer / LOF"	The final letter of offer to be filed with the Stock Exchanges after incorporating observations received from SEBI on this Draft Letter of Offer.
"Memorandum of Association"/ "MoA"	Memorandum of Association of our Company, as amended from time to time.
"MICR"	Magnetic Ink Character Recognition
"Net Proceeds"	The Issue Proceeds less the Issue related expenses
"NRE Account"	Non-Resident External Account
"NRI(s)"	An individual resident outside India who is a citizen of India or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, and shall have the meaning ascribed to such term in the FEMA Regulations
"Non - Institutional Investor(s)"	An Investor other than a Retail Individual Investor and a Qualified Institutional Buyer
"NRO Account"	Non-Resident Ordinary Account
"NSDL"	National Securities Depository Limited
"MSEI"	Metropolitan Stock Exchange of India Limited
"OCB(s)"	Overseas Corporate Body(ies)
"R-WAP"	Registrar's web-based application platform accessible at www.skylinerta.com , instituted as an optional mechanism in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CTR/P/2020/78 dated May 6, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, for accessing/submitting online Application Forms by resident Investors.
"Record Date"	[●]
"Registered office"	The Registered Office of our Company is located at 304, Gupta Arcade, Inder Enclave, Delhi-Rohtak Road, Delhi-110087
"Registrar of Companies"/ "Roc"	Registrar of Companies, New Delhi having its office at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019
"Registrar and Share Transfer Agent"	The registrar and share transfer agent of our Company, being, Skyline Financial Services Private Limited
"Registrar / Registrar to the Issue"	Skyline Financial Services Private Limited
"Renouncee(s)"	Any person(s) who have / has acquired Rights Entitlements from Eligible Equity Shareholders
"Retail Individual Investor(s)"	Individual Investors who have applied for Rights Equity Shares for an amount not more than 2,00,000 (including HUFs applying through their Karta)
"Rights Issue Committee"	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.

"Rights Entitlements / REs"	<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 [●] 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.</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 facility and link for the same will be available on the website of our Company.
"Rights Equity Shares"	The fully paid-up Equity Share(s) offered in this Issue
"SEBI"	Securities and Exchange Board of India constituted under the SEBI Act
"Stock Exchange"	Stock Exchange where the Equity Shares are presently listed, being MSEI
"STT"	Securities Transaction Tax
"Transfer Date"	The date of 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.
"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. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Delhi are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI

Conventional and General Terms or References

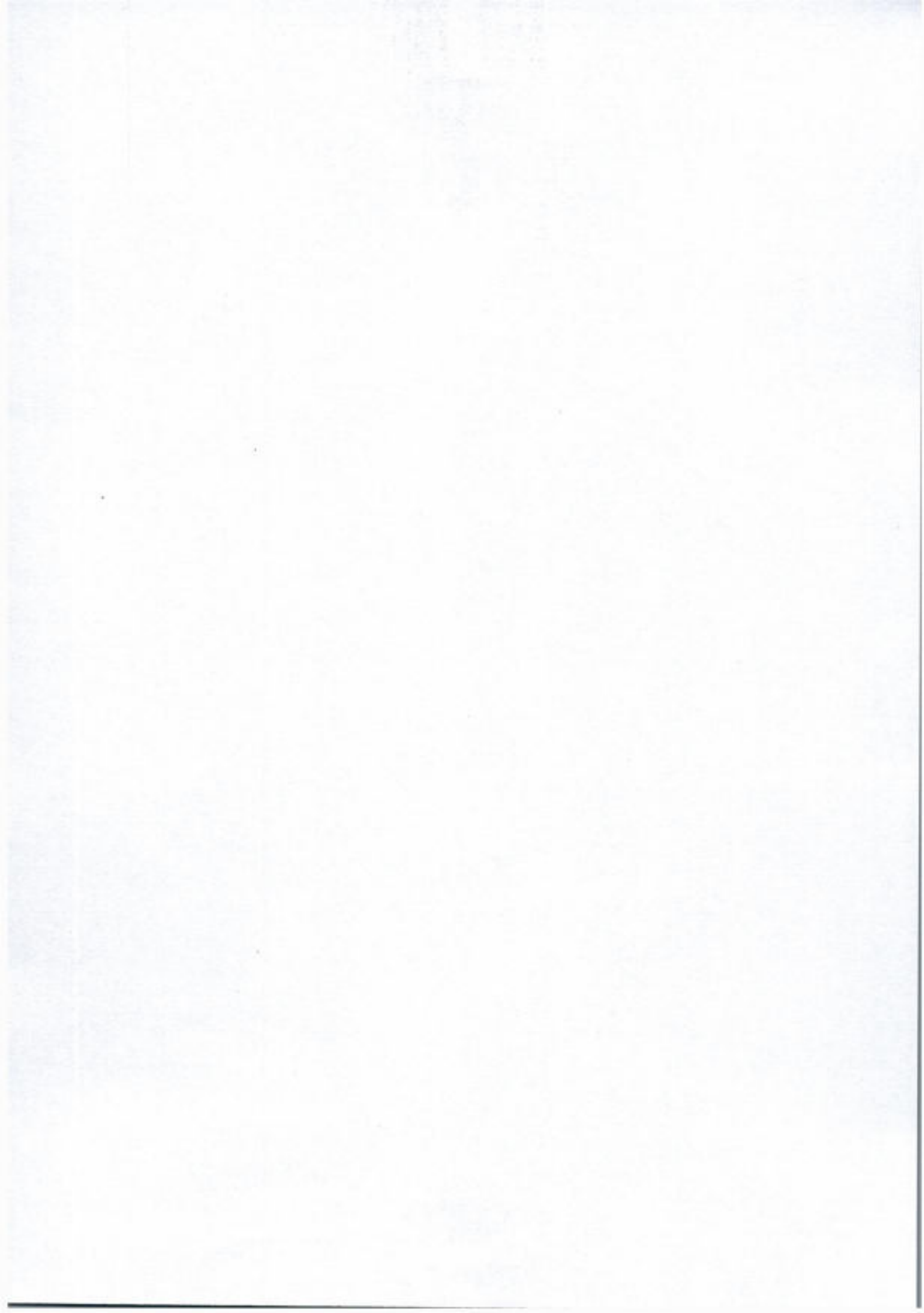
Term	Description
AGM	Annual General Meeting
AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
CIN	Corporate Identification Number
Companies Act	The Companies Act, 1956, to the extent applicable and the Companies Act, 2013, as applicable
Companies Act, 2013	The Companies Act, 2013, and the rules made thereunder
COVID/CONVID-19	Coronavirus disease (2019)
Depositories Act	The Depositories Act, 1996, as amended
FCNR Account	Foreign Currency Non-Resident Account
FEMA	Foreign Exchange Management Act, 1999, and any circulars, notifications, rules and regulations issued pursuant to the provisions thereof
FEMA Non-Debt Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal	The period of 12 (twelve) months beginning April 1 and ending March 31 of that next year, unless otherwise stated
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
IFRS	International Financial Reporting Standards
Ind-AS	Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally accepted accounting principles in India, including the Accounting Standards specified under Section 133 of the Indian Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule, 2014, as amended

ISIN	International Securities Identification Number
IT Act	The Income Tax Act, 1961, as amended
Listing Agreement(s)	The equity listing agreement signed between our Company and the Stock Exchange
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Fund) Regulations, 1996, as amended
Non-Resident / NR	Persons resident outside India as defined in the FEMA
Rupees / INR	The lawful currency of India

Term	Description
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities contracts (Regulations) Rules, 1957, as amended
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI ICDR Regulation	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended

Industry Related Terms or Abbreviations

Term	Description
AIF(s)	Alternative investment fund(s) as defined in and registered under the AIF Regulations
FDI	Foreign Direct Investment
FMCD	Fast Moving Consumer Durables
GST	Goods and Services Tax
Gol / Central Government	Government of India
HUF	Hindu Undivided Family
MSME	Micro, small and medium enterprises
NPA	Non-Performing Asset
PAN	Permanent Account Number
RBI	Reserve Bank of India
SR	SR equity Shares means the equity shares having superior voting rights compared to all other equity shares issued by the Company.
VCF	Venture capital funds, as defined in and registered under the VCF Regulations
w.e.f.	with effect from



NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter, Application Form and Rights Entitlement Letter and the issue of the Rights Entitlement and the Rights Equity Shares to persons in certain jurisdictions outside India are restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer or the 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 electronically dispatch through email and physical dispatch through speed post the Letter of Offer/ the Abridged Letter of Offer and 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, the Letter of Offer will be provided, through email and speed post, 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 who make a request in this regard. Investors can also access the Draft Letter of Offer, the Letter of Offer the Abridged Letter of Offer and the Application Form from the websites of the Registrar, the Company, the Lead Manager, SEBI, 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, except that this Draft Letter of Offer has been filed with SEBI for observations. Accordingly, the issue of the Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or the CAF or any offering materials or advertisements in connection with the 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 Letter of Offer, Abridged Letter of Offer or the CAF 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, the Letter of Offer, Abridged Letter of Offer or the CAF must be treated as sent for information only and should not be acted upon for subscription to the Rights Equity Shares. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or the CAF 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 Letter of Offer, Abridged Letter of Offer or the CAF 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 Letter of Offer, Abridged Letter of Offer or the CAF 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 Letter of Offer, Abridged Letter of Offer or the CAF. Envelopes containing the CAF should not be dispatched from any jurisdiction where it would be illegal to make an offer and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire rights and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that he is authorized to acquire the rights and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company reserves the right to treat any CAF as invalid where they believe that CAF is incomplete or acceptance of such CAF 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 CAF. 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 at any time subsequent to the date of this Draft Letter of Offer or the date of such information.

THE CONTENTS OF THIS DRAFT LETTER OF OFFER, THE LETTER OF OFFER AND ABRIDGED LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER OF THE RIGHTS EQUITY SHARES. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF THE RIGHTS EQUITY SHARES. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER IS MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHTS EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHTS 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/ 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 the Draft Letter of Offer/ 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 authorized 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.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "US SEC"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

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

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a Public Limited (Listed) Company under the laws of India and all the Directors and all Executive Officers are residents of India. It may not be possible or may be difficult for investors to affect service of process upon the Company or these other persons outside India or to enforce against them in courts in India, judgments obtained in courts outside India. India is not a party to any international treaty in relation to the automatic recognition or enforcement of foreign judgments.

However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A of the Code of Civil Procedure, 1908, as amended (the "Civil Procedure Code"). Section 44A of the Civil Procedure Code provides that where a certified copy of a decree of any superior court (within the meaning of that section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, is filed before a district court in India, such decree may be executed in India as if the decree has been rendered by a district court in India. Section 44A of the Civil Procedure Code is applicable only to monetary decrees or judgments not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties. Section 44A of the Civil Procedure Code does not apply to arbitration awards even if such awards are enforceable as a decree or judgment. Among others, the United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government of India to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code.

The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

A judgment of a court in any non-reciprocating territory, such as the United States, may be enforced in India only by a suit upon the judgment subject to Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Procedure Code, which is the statutory basis for the recognition of foreign judgments (other than arbitration awards), states that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- The judgment has not been pronounced by a court of competent jurisdiction;
- The judgment has not been given on the merits of the case;
- The judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;
- The proceedings in which the judgment was obtained are opposed to natural justice;
- The judgment has been obtained by fraud; and/or
- The judgment sustains a claim founded on a breach of any law in force in India.

A suit to enforce a foreign judgment must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. In addition, it is unlikely that an Indian court would enforce foreign judgments if it considered the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India to repatriate any amount recovered pursuant to execution of such judgment. Any judgment in a foreign currency would be converted into Rupees on the date of such judgment and not on the date of payment and any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

Certain Conventions

All references herein to 'India' are to the Republic of India and its territories and possessions and the 'Government' or 'GoI' or the '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.

In this Draft Letter of Offer, references to the singular also refer 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

Our fiscal year commences on April 01 of each calendar year and ends on March 31 of the following calendar year. Accordingly, all references to a particular "fiscal year" or "Fiscal", unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

Unless the context otherwise requires, our financial data in this Draft Letter of Offer is derived from the Audited Financial Statements and Limited Reviewed Financial Information. Our audited financial statements as of and for financial year ended March 31, 2021 and Limited Reviewed Financial Information as on June 30, 2020, have been prepared by our Company in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements ("Financial Statements"). Our Company publishes its financial statements in Indian Rupees. 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. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data. For details of financial statements, see "Financial Statements" on page number 49 of this Draft Letter of Offer.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information 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" on page number 49 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 the "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India.

Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in lakhs.

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:

Currency	Exchange rate as on		
	March 31, 2021	March 31, 2020	March 31, 2019*
1 USD	73.53	75.38	69.17
1 Euro	86.10	83.04	77.70

(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.

(Source: www.rbi.org.in and www.fbi.org.in)

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*", "*Objects of the Issue*" and "*History and Corporate Structure*". Forward-looking statements include statements concerning our Company's plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, political & 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 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, pandemics 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:

- our ability to anticipate and respond to changes in the industry and changing customer preferences in a timely and effective manner;
- seasonal nature of our business;
- our ability to obtain certain approvals and licenses;
- our ability to maintain relationships with third parties;
- compliance of environmental laws and change in environment regulations;
- our reliance on third party suppliers for our products;
- our ability to manage our operations at our current size or to manage any future growth effectively; and
- our ability to handle our new businesses of handling and disposal of fly ash and coal trading.

For further discussion of factors that could cause the actual results to differ from the expectations, see the section "*Risk Factors*". 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.

SUMMARY OF THE DRAFT 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", "Our Business", "Summary of Industry", "Outstanding Litigation and Material Developments" and "Terms of the Issue" on page numbers 20, 26, 32, 36, 42, 16, 113 and 121 respectively.

1. Summary of Industry

Over the years, the global fasteners industry has transformed into a competitive sector. Several small and large-scale manufacturing companies are operating across various countries, including India.

The industrial demand is expected to increase at around 5.5 percent annually. Equally, the Indian fastener industry is also estimated to maintain the growth trajectory in the coming years.

The major reason for this progress of the Fastener industry can be attributed to the increased focus of making India as a manufacturing hub under the "Make in India" project of the Government of India, increasing number of construction activities and growing automobile manufacturing in India and other South Asian countries and expansion/modernization of the infrastructure including Railways. The automobile industry is one of the largest consumers of fasteners, accounting for over 50% percent market share. Emergence of India as a global hub for manufacturing automotive components and fasteners with high export commitments have also made this industry move north.

Made from steel, stainless steel, brass, aluminum, etc., Fasteners are used to join two or more objects together by using nuts, bolts, washers, screws and other products. The Indian fasteners market is classified on the basis of application, product type and the organization of the market. The Indian Fastener market is fragmented and with all round Industrial development, the segment is witnessing great opportunities, challenges, scope and offers promising growth.

The fastener industry's largest market is accounted by Asia-Pacific with a major share of fasteners manufactured globally. The market growth is attributable to the growing construction activities and manufacturing of automobiles in India and China. A wide range of fasteners are manufactured in the Indian market, which include exhaust bolts, balance wheel bolts, standard hexagon screws/bolts, socket head cap screws, socket shoulder screws, weld nuts, square nuts, hexagon nuts, self-tapping screws, and others. High-tensile fasteners are mainly used in the construction and engineering sector, whereas mild steel fasteners are used in manufacturing automobiles.

With help from Government of India's 'Make in India' initiative, the Indian manufacturing sector is expected to generate huge demand for industrial fasteners. The Indian industrial fasteners market is divided into three sections: application, product type, and market organization. The Indian automobile industry is anticipated to be the largest consumer of industrial fasteners, accounting for a significant portion of the market.

The major reason for this progress can be attributed to the increasing number of construction activities and growing automobile manufacturing in South Asian countries. The auto industry is the largest consumer of fasteners, accounting for around 75 percent market share.

*Source: <https://fastenerasia.com/>

2. Summary of Business

Our Company was incorporated in 1995, and has successfully emerged as a name to reckon with in the Indian Fastener industry. The Company offers a wide range of cold and hot forged fasteners and precision machined components for automotive and industrial applications.

For further details, please refer to the chapter titled "Our Business" beginning on page number 42 of this Draft Letter of Offer.

3. Our Promoters

The promoters of our Company are Deepak Arneja, Ravinder Mohan Juneja, Ranbir Singh Narang, Sudhir Arneja, Anurag Arneja.

For further details please see chapter titled "Our Promoters" beginning on page number 46 of this Draft Letter of Offer.

4. Objects of the Issue

- The Net Proceeds are proposed to be used in accordance with the details provided below:
- To meet the funding needs of expansion plan i.e. Green Field Project coming up at IMT Rohtak, Haryana.
- The proposed project: For the initializing, developing and starting up of the project '**Green Field Project/Construction**' which involves the factory building situated at Plant-III as well as the 'Purchasing & installation of plant & machinery' at the premises located on the address Plant-III situated at Plot no. 42, 43 & 44, Sector-31B, IMT Rohtak, Haryana, which has a total project cost amounting to Rs. 3000.00 Lakhs (Rupees Thirty Crores only) excluding the cost of land of Rs. 800.00 Lakhs (self-acquired). The area for the said premises is admeasuring Three (3) acres of the land purchased from the HSIIDC Panchkula, Haryana in the year 2014, for which the payment cycle was finalized on a half yearly instalments basis. The Conveyance Deed has been executed between the Company and HSIIDC in June, 2017.

The details of the Proposed Capital Expenditure: Rs. 3000.00 Lakhs comprises and includes of:

(Rs. In Lakhs)

Capital Expenditure	Cost	Position as on present date
Building premises	800.00	Proposed
**P&M	2100.00	Proposed
Other F/A	100.00	Proposed
Total	3000.00	Proposed

Tenure of the proposed project: The construction activities are likely to be completed in the new Plant III by December 2021/January 2022. The Commercial production and the business operations & activities in the new Plant III would tentatively start from February/March 2022.

Sources being arranged by the Company for the initializing of funding:

(Rs. In Lakhs)

Source(s)	Amount Involved
Proposed Right Issue	482.11
*Borrowings from Bank	2000.00
Internal Accruals	517.89
Total	3000.00

*The Company has already received the In-principle approval from the Karnataka Bank Limited vide their letter dated 14.07.2021 for an amount of Rs. 23.00 Crores for funding of the above project.

**Additionally, the negotiation process for ordering of machines for the Plant III have started recently and the delivery of the machines is expected from January 2022.

5. Intention and extent of participation by our Promoter(s) and Promoter Group in the Issue:

Our Promoter(s) and entities forming part of our Promoter Group have, vide their letters dated 18/08/2021 (the "Subscription Letters") undertaken to: (a) 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; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue.

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 (including any unsubscribed portion of the Issue) 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 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.

6. Summary of Financial Information

The following table sets forth summary of the financial information derived from the Audited Financial Statements for the Financial year ended March 31, 2021, March 2020 & March 2019 and prepared in accordance with recognition and measurement principles of IND AS 34 and Regulation 33 of SEBI (LODR) Regulations, 2015, which are subjected to Limited Review by Statutory Auditors of the Company.

(in lakhs other than share data)

Particulars	For the Fiscal Year		
	2021	2020	2019
Equity Share Capital	535.68	535.68	535.68
Net Worth	6621.18	5890.21	5200.67
Revenue (total income)	10838.54	10417.39	13552.25
Profit after tax	1038.06	936.77	910.39
Earnings per share (basic and diluted)	19.38	17.49	17.00
Net asset value per equity share	123.60	109.96	97.09
Total Borrowings (as per the balance sheet)	1510.57	1289.28	1780.45

7. Auditor Qualifications:

There are no qualifications by the Statutory Auditors in their report to the Audited Financial Statements for the Financial Year ended March 31, 2021 and the unaudited Financial Statements for the three months' period ended June 30, 2021.

8. Summary of Outstanding Litigations:

A summary of outstanding litigation proceedings pertaining to our Company as on the date of this Draft Letter of Offer is provided below. For details of the material outstanding litigation proceedings including criminal proceedings and civil proceedings, please see "Outstanding Litigations and Defaults".

Nature of proceedings	Number of outstanding cases	Amount involved (in Lakhs)
Cases filed against our Company		
Civil	Nil	Nil
Cases filed by our Company		
Civil	Nil	Nil
Criminal (under section 138 of the Negotiable Instruments Act)	Nil	Nil

9. Risk Factors

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares of the Company, material litigations which impact the business of the Company and other economic factors please see "Risk Factors" on page number 20 of this Draft Letter of Offer.

10. Summary of Contingent Liabilities of our Company

As of March 31, 2021, we have certain contingent liabilities that had not been provided for, details of the same is as under:

The Company received Show Cause Notice (SCN) dated 03rd June, 2016 from the Ministry of Corporate Affairs, for the violation of Sections 211(3A) and 211(3C) with regard to Accounting Standards 1,2,9,12,18 & 26 and Section 217(2AA) of the Companies Act, 1956. The company filed detailed replies to the SCN vide dated 20th June, 2016 and also filed the compounding applications under section 621A of the companies Act, 1956 vide dated 26th July, 2016 and further correspondences made on 16th November, 2016. The adjudication thereof is pending from Honorable ROC and hence the possible consequences arising out of the same on the company are not presently ascertainable.

11. Summary of Related Party Transactions

For details of the related party transactions, please refer to the corresponding header as reported in the Financial Statements for FY ending March 31, 2021 and three months ended June 30, 2021.

12. Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives, Directors of the company which is a Promoter of our Company have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during a period of six months immediately preceding the date of this Draft Letter of Offer.

13. Issue of Equity Shares for consideration other than cash in the last one year

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

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in our Rights Equity Shares. The risks described below are not the only risks relevant to our Company's business, operations, or our Rights Equity Shares, but also to the industry and segments in which we operate or propose to operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our equity shares could decline, and investors may lose all or part of their investment.

To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "Financial Information and other information contained in this Draft Letter of Offer. In making an investment decision, investors and purchasers of the Rights Equity Shares must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors and purchasers of our Rights Equity Shares should consult their tax, financial and legal advisors about the consequences of investing in the Issue. Prospective investors and purchasers of the Rights Equity Shares should pay attention to the fact that our Company is incorporated under the laws of India and are subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

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

Materiality:

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

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this Draft Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Mohindra Fasteners Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding.

INTERNAL RISK FACTORS:

- 1. MFL's success depends on its ability to identify and respond to constantly changing customer demands and preferences and changing technologies.**

In order to stay competitive, MFL must respond to changing trends in customer demands and preferences either in India or overseas. MFL's success is dependent on its ability to anticipate accurately, identify and quickly respond to these trends. MFL should ensure that their sales team generate enthusiasm and respond with extra efforts in addressing our customers' needs in a timely fashion. If any of these risks pertaining to changes in demands/preference/technology materialize, it may have a material adverse effect on MFL's business, cash flows, results of operations, financial condition and prospects.

2. *MFL operations are subject to risks arising from foreign exchange rate fluctuations, which could adversely affect the financial results of our Company.*

Most of our revenue and some costs are either linked to or denominated in Foreign Currencies. We maintain our accounts and report our financial results in Indian Rupees (INR). As such, we are exposed to risks relating to foreign exchange rate fluctuations. Uncertainties in the global financial markets and other geo political reasons may have an adverse impact on the exchange rate between INR and other currencies. The exchange rate between INR and other currencies are variable and may continue to remain volatile in the future depending upon the foreign exchange reserve position of India. Fluctuations in the exchange rates may have a serious impact on the revenues from our export business as a significant portion of our revenue comes from exports. Any appreciation of the INR against other currencies may lead to reduction in the realization of our revenues. Accordingly, volatility in the exchange rate would adversely affect the financial results of our Company.

3. *Europe is our significant business market, and our current business and future growth could be materially and adversely affected by poor economic conditions in Europe.*

Europe is a significant market for our Exports, accounting for about 45% of our total revenue in each of the fiscal year 2020 and 2021. Exports have always remained the back bone of the Company and have constituted over two-thirds of the sales revenues in the last few years. Accordingly, we are particularly prone to the overall health of the economy as well as any geopolitical factors and other factors in the European Union countries. The market in this region may be affected by a number of factors outside our control, including local, regional, political and general economic conditions, changes in demand and supply for products comparable to those that we develop, any pandemic like conditions which might force restrictions and lockdowns and changes in Government regulations. A slowdown in the business ecosystem could adversely affect our business and results of operations and future growth of the Company.

4. *MFL is dependent on our senior management including our Promoters and a number of key personnel and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.*

Our performance depends significantly on our senior management, including our Promoters, who are educated and have several years of experience in the industry in which we operate and whose contribution has been crucial to the growth of our business. We believe that the inputs and experience of our senior management and key managerial personnel are valuable for the development of business and operations and the strategic directions adopted by our Company. We cannot assure you that we will be able to retain such persons or find adequate suitable replacements in a timely manner, or at all. A limited number of persons exist with the requisite experience and skills to serve in our senior management positions. In addition, we may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. Moreover, along with our steady growth and business expansion, we need to employ, train and retain additional suitable skilled and qualified management and employees from a wider geographical area. If we cannot attract and retain suitable personnel, our business and future growth may be materially and adversely affected.

5. *MFL's ability to pay dividends in the future will depend on our future earnings, cash flows, working capital requirements, capital expenditures and financial condition. Investors of Rights Equity Shares are only entitled to dividend in proportion to the amount paid up and the voting rights shall also be proportional to such investor's share of the paid-up equity capital of our Company.*

Our Company has declared and has paid dividend uninterruptedly for last 17 years. The amount of future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, the terms and conditions of our Company's indebtedness and capital expenditures. There can be no assurance that our Company will be able to pay dividends in the future.

6. *The unexpected loss, shutdown or slowdown of operations at any of our facilities could have a material adverse effect on MFL's results of operations and financial condition.*

Our facilities are subject to operating risks, such as breakdown or failure of equipment, power supply interruptions, facility obsolescence or disrepair, technological changes, labour disputes, natural disasters and industrial accidents, to name some of them. The occurrence of any of these risks could adversely affect our operations by causing production at one or more facilities to shut down or slowdown. No assurance can be given that one or more of the factors mentioned above will not occur, which could have a material adverse effect on our results of operations and financial condition.

7. *Availability of skilled and specialized labour can affect performance of MFL.*

Due to advancement of technology and competitive environment, skilled and specialized labour are necessary to have in any

organization. The shortages of relevant sufficiently skilled people available in the Country can affect the performance of the Company.

8. *Resistance to change and fixed mind sets of the Management and employees can lead to ineffective adaptation of new technologies, processes and lean manufacturing.*

The fastener industry as well as Engineering and other allied industries is characterized by frequent advancements in technology. To meet our clients' needs and also to keep pace with our competitors, we regularly update existing technology and acquire or develop new technology for our manufacturing activities. For this, we need skilled labour and skilled executives and other senior management members for the same. In addition to the above, rapid and frequent advancements in technology and market demand changes can often render existing technologies and equipment redundant and obsolete which would require substantial new capital expenditures and/or write-downs of assets. The existing manpower is regularly assessed on their skill matrix and training is imparted to them after identifying the gaps. Our failure to anticipate or to respond adequately to advancements in technology, changes in market demand or client requirements could adversely affect our business and financial condition.

9. *The threat perception arising out of 3D printing/additive manufacturing cannot be ignored in the years to come.*

Additive manufacturing (AM), also known as 3D printing, is a transformative approach to industrial production that enables the creation of lighter, stronger parts and systems. If we stay oblivious to the same and do not adapt such new approach(es), our business, future growth & competitive abilities may be adversely affected.

EXTERNAL RISKS:

10. *The impact of the COVID-19 pandemic worldwide and on MFL's business and operations is uncertain and cannot be predicted.*

In late 2019, the COVID-19 disease, commonly known as "novel coronavirus", was first reported in Wuhan, China. On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a "Public Health Emergency of International Concern" and on March 11, 2020 it was declared a pandemic.

Several countries' governments including India and numerous companies have imposed increasingly stringent restrictions to help avoid, or slow down, the spreading of COVID-19, including, for example, restrictions on international and local travel, public gatherings and participation in meetings, as well as closures of non-essential services, universities, schools, stores, restaurants and other key service providers, with some countries imposing strict curfews. These measures have led to a significant decline in economic activities in India and abroad.

COVID - 19 pandemic has caused serious disruption on the global economic and business environment. COVID 19 has significant impact on business operations of our Company. There is a huge uncertainty with regard to its impact which cannot be reasonably determined at this stage. Based on the current indicators of future economic conditions, the Company estimates to recover the carrying amount of its assets. The Company has adequate liquidity to discharge its obligations. These estimates are subject to uncertainty and may be affected by the severity and duration of the pandemic. The Company is continuously monitoring any material changes in future economic conditions.

11. *MFL's business is substantially affected by prevailing economic, political and other prevailing conditions in India.*

Our Company is incorporated in India and we derive a reasonable portion of our revenues in India. In addition, our assets and employees are also 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. Consequently, our performance and liquidity of our Equity Shares may be affected by changes in foreign exchange rates and controls, interest rates, Government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

In recent years, the successive Indian governments have generally pursued a course of economic liberalization and deregulation aimed at accelerating the pace of economic growth and development. This includes liberalizing rules and limits for foreign direct investment in a number of important sectors of the Indian economy including infrastructure, railways, services, pharmaceuticals and insurance. In addition, the current Indian government has pursued a number of other economic reforms, including the introduction of a goods and services tax, increased infrastructure spending and a new Insolvency and Bankruptcy Code.

A significant change in India's economic liberalization and deregulation policies, in particular, those relating to the businesses in which we operate, could disrupt business and economic conditions in India generally and our business in particular.

A change in the Government's policy on tariffs, direct and indirect taxation and fiscal or other incentives could adversely affect MFL's business.

Our profitability is also significantly dependent on the policies of the central and state governments in India relating to various direct and indirect taxes (including sales tax, goods and service tax and income tax), duties and levies (including excise duties and import duties) and fiscal or other incentives or schemes. Any adverse change in policies relating to such taxes, duties or incentives could affect our profitability.

12. MFL operations are susceptible to volatility of prices of our products and the loss of customers can have a bearing on the operations of the Company.

Prices of our products are subject to fluctuation, primarily depending upon prices of Steel, Oils & Lubricants, Inward and outward freight &, packing material as Direct costs, over and above many other factors like the number of producers in the region/country, their production volumes and changes in demand in the markets that we serve and many more. Volatility in price realization and loss of customers may adversely affect our profitability. Further, there is no assurance that we will be able to maintain our low cost of operations or to further reduce costs or develop new cost effective processes in the future.

13. Any terrorist attacks or social unrest and natural disasters occur in India; could adversely affect MFL's business, operations and financial condition.

Increased political instability, evidenced by the threat or occurrence of terrorist attacks, enhanced national security measures, conflicts in several regions in which we operate, strained relations arising from these conflicts and the related decline in customer confidence may hinder our ability to do business.

Natural disasters such as floods, earthquakes, famines and pandemics have in the past had a negative impact on the Indian economy, with the most recent example being the global outbreak of COVID-19. If any such event were to occur, our business could be affected due to the event itself or due to the inability to effectively manage the effects of the particular event. Potential effects include the damage to infrastructure, damage to our telecom and refinery assets and the loss of business continuity or business information. In the event that our facilities are affected by any of these factors, our operations may be significantly interrupted, which may materially and adversely affect our business, financial condition and results of operations.

14. MFL foresees competition from existing and future indigenous manufacturers of Industrial High Tensile Fasteners which may have adverse effect on our business, prospects, results of operations and financial condition.

We operate in a competitive business environment. The fastener segment in which our company is currently operating and further expanding into is constantly evolving with capacity additions and addition of new suppliers. Growing competition may subject us to pricing pressures and require us to reduce the prices of our products and services in order to retain or attract customers, which may have a material adverse effect on our revenues and margins. Further, several of our competitors whether in India or overseas are larger international and national companies and have access to greater resources, wider geographical reach, broader product ranges or may be able to develop or acquire technology or partner with innovators or customers at terms which are not presently feasible for us, due to our current scale of operations. Further, they may succeed in developing products that are far more effective, more technologically advanced, more popular or cheaper than our products. Any of these factors may have a material adverse effect on our business, prospects, results of operations and financial condition.

RISKS RELATING TO THE ISSUE AND THE RIGHTS EQUITY SHARES

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

Our Company will dispatch the Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form (the "Issue Materials") to the shareholders who have provided an address in India for service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

2. *Investors 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. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to long-term capital gains tax in India if Securities Transaction Tax ("STT") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares, except in the case of such acquisitions where STT could not have been paid, as notified by the Government of India under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, Finance Act, 2018, taxes such long term capital gains exceeding ₹ 1.00 Lakh arising from sale of equity shares on or after April 1, 2018. 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:

3. *Any future issuance of the Rights Equity Shares, or convertible securities or other equity linked securities by our Company may dilute your future shareholding and sales of the Rights Equity Shares by the Promoter or Promoter Group or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.*

Any future issuance of the Equity Shares, or convertible securities or other equity linked securities by our Company, may lead to dilution of 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. Any future sales of Equity Shares by the Promoter or other major shareholders of our Company may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

4. *The entitlement of Rights Equity Shares to be allotted to investors applying for Allotment in physical form, may 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). For further details, see the section on "Issue Information" on page 121 of this Draft Letter of Offer.

5. The Issue Price of our Rights Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.

The Issue Price of Equity Shares may not be indicative of the market price for our Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the issue and may decline below the Issue Price. There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:

- Quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- Changes in revenue or earnings estimates or publications of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions.

6. SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020 and January 19, 2021, streamlined the process of rights issues.

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, May 6, 2020 and January 19, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see "Terms of the Issue" on page 121 of this Draft Letter of Offer.

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

7. 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 circulars dated May 6, 2020, July 24, 2020, January 19, 2021 and April 22, 2021, a separate web based application platform, i.e., the R-WAP facility (accessible at www.skylinerta.com), 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. On R-WAP, the Eligible Shareholders 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" on page number 121 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 policy 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 COVID-19 pandemic. We cannot assure you that R-WAP facility 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 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 facility.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorized through a resolution passed by our Board at its meeting held on February 10, 2021 pursuant to Section 62(1)(a) of the Companies Act, 2013. The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the information detailed in the chapter titled as “*Terms of the Issue*” on page number 121 this Draft Letter of Offer.

Particulars	Details of Equity Shares
Rights Equity Shares offered in the Issue	[●] Rights Equity Shares
Rights Entitlement	[●] Rights Equity Shares for every [●] fully paid-up Equity Shares held on the Record Date
Record Date	[●]
Face Value per Rights Equity Share	Rs. 10/- each
Issue Price	[●] including a premium of [●] per Rights Equity Share
Issue size	Upto [●] Equity Shares of face value of Rs. 10 each for cash at a price of [●] (including a premium of [●] per Rights Equity Share not exceeding an amount of [●])
Equity Shares issued and outstanding prior to the Issue	[●] Equity Shares
Equity Shares subscribed and paid up outstanding prior to the Issue	[●] Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	[●] Equity Shares
Terms of the Issue	Please refer to “ <i>Terms of the Issue</i> ” on page number 121 of this Draft Letter of Offer
Use of Issue Proceeds	For further information, see “ <i>Objects of the Issue</i> ” on page number 36 of this Draft Letter of Offer
Security Codes	Symbol: MFL Face Value: 10.00 ISIN: INE705H01011 Industry: INDUSTRIAL METAL N MINING
Use of Issue Proceeds	For details, please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page number 36 of this Draft Letter of Offer.
Terms of the Issue	For details, please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page number 121 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*	[●]

* The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.

GENERAL INFORMATION

MOHINDRA FASTENERS LIMITED (MFL) was incorporated as a Public Limited Company on 10th January, 1995 under the Companies Act, 1956 with the Registrar of Companies, New Delhi. The Certificate of Commencement of business was obtained by the Company on 22nd February, 1995 and began the commercial production in the beginning of year 1997. Over the years, it has successfully emerged as a name to reckon with in the Indian Fastener industry. The company offers a wide range of cold and hot forged fasteners and precision machined components for automotive and industrial applications. The CIN of the Company is L74899DL1995PLC064215

Registered Office of our Company:

Mohindra Fasteners Limited
304 Gupta Arcade, Inder Enclave
Delhi-Rohtak Road, New Delhi, 110087
CIN: L74899DL1995PLC064215
Registration Number: 064215

Corporate Office of our Company:

303-304, Dimension Vardhman Plaza,
Paschim Vihar, Delhi-Rohtak Road,
Delhi-110087

Company's Factory(work) Plants:

Plant I: 60th K.M. Stone, Delhi – Rohtak Road, Kharawar, Rohtak – 124 001, Haryana, India;
Plant II: 60th K. M. Stone, Delhi – Rohtak Road N. H. No. 10, V & P.O. Gandhra, District Rohtak, Haryana, 124001
Plant III: Plot no. 42, 43, & 44, Sector – 31B, IMT Rohtak, Haryana, 124001 (under construction)
Plant IV: 70th K.M. Stone, Delhi – Rohtak Road N. H. No. 10, V & P.O. Kharawar, District Rohtak, Haryana, 124001

Registrar of Companies

Our Company is registered with the ROC situated at the following address:

Registrar of Companies
4th Floor, IFCI Tower,
61, Nehru Place,
New Delhi - 110019

Board of Directors of our Company

The Board of our Company as on the date of filing this Draft Letter of Offer comprises of the following:

DIN	Name	Begin date	Address
00006112	Deepak Arneja	10/01/1995	C-1/21, Model Town III, North West, Delhi-110009
00006496	Ravinder Mohan Juneja	10/01/1995	1189/23, D.L.F Colony, Rohtak, Haryana-124001
00179636	Gagandeep Singh Narang	15/02/2016	A-135, New Friends Colony, Delhi-110025
02303504	Vinod Kumar	21/12/2013	11096, 2 Karol Bagh, Dori Wallan, Karol Bagh, S.O, Central Delhi-110005
07572208	Ved Prakash Chaudhry	30/07/2016	House No B - 3, Main Rohtak Road, Shiv Vihar, Paschim Vihar, Delhi- 110087
08189763	Shamoli Thakur	03/08/2018	H. No 62, Sector 17A, Gurgaon, Haryana- 122001

For further details of our Board of Directors, see "Our Management" on page number 46 of this Draft Letter of Offer.

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY

Company Secretary and Compliance Officer	Lead Manager to the Issue
Nidhi Pathak 304 Gupta Arcade, Inder Enclave Delhi-Rohtak Road, New Delhi -110087 Telephone: 011-46200406 Email: csnidhipathak@mohindra.asia	Intellicity Capital Advisers Private Limited Plot No.-93 Pocket-2, First Floor, Jasola, Near DAV School, Delhi-110025 Email Id- info@intellicitycapital.com SEBI Registered Category I Merchant Banker SEBI Registration No: INM000012777 Telephone: +011-46377700 Investor grievance E-mail: investorsrelation@intellicitycapital.com Website: www.intellicitycapital.com Contact Person: Mr. Govind Roy
Registrar to the Issue	
Skyline Financial Services Pvt. Ltd. D-153/A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi- 110020 Phone No- 011- 40450193-97 Email: admin@skylinerta.com Website: www.skylinerta.com Contact Person: Mr. Virender Rana SEBI Registration No.: INR000003241	

Bankers to the Issue:

The Banker to the Issue and the Refund Bank shall be ICICI Bank Limited bearing the below mentioned details:

ICICI Bank Limited

Registered Office: ICICI Bank Towers,
Neat Chakli Circle
Old Padra Road, Vadodra, Gujarat 390007
Website: www.icicibank.com
CIN: L65190GJ1994PLC021012

For the purpose of being the Banker to the Issue and Refund Bank to the Rights Issue of our Company, ICICI Bank Limited shall be acting through their branch situated at:

ICICI Bank Limited Branch**Capital Markets Division,****Branch Address:** 1st Floor, 122 Mistry Bhavan

Dinshaw Vachha Road,

Backbay Reclamation, Churchgate

Mumbai 400020, Maharashtra

Contact Person: Namrata Jadhav**E-mail ID:** namrata.jadhav@ext.icicibank.com**Telephone:** 022-66818926**Website:** www.icicibank.com**CIN:** L65190GJ1994PLC021012**Refund bank account details:****ICICI Bank Limited****Branch Address:** Sagar Avenue, opposite Shoppers Stop

SV Road, Andheri (West),

Mumbai 400058, Maharashtra

IFSC Code: ICIC0000011**NEFT Code:** ICIC0SF0002**Contact Person:** Namrata Jadhav**E-mail ID:** namrata.jadhav@ext.icicibank.com**Telephone:** 022-66818926**Website:** www.icicibank.com**CIN:** L65190GJ1994PLC021012**Designated Intermediaries to the Issue***Self-Certified Syndicate Banks*

The list of banks that have been notified by SEBI to act as Bankers to the Issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, for the ASBA process in accordance with the SEBI ICDR Regulations is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=35> and updated from time to time. Further, details relating to designated branches of Bankers to the Issue collecting the ASBA application forms are available at the above-mentioned link.

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue/post-Issue related matters such as non-receipt of letter of Allotment, credit of Rights Equity Shares or Refund Orders and such other matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the Bankers to the Issue, giving full details such as name, address of the applicant, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the Bankers to the Issue where the Application was submitted by the ASBA Investors.

Experts

Our Company has received a written consent from the Statutory Auditors namely, M/s B. L. Khandelwal & Co (Practicing Chartered Accountant) 1, Doctor Lane, Gole Market, New Delhi –110001, to include their name as required under Section 26(1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, and as "experts", as defined under Section 2(38) of the Companies Act 2013, to the extent and in their capacity as an auditor and in respect of their (a) audit report dated May 30, 2019 on our financial statements for the year ended March 31, 2019, their (b) audit report dated 29th June, 2020 (c) audit report dated 26th June, 2021 on our financial statements for the year ended March 31, 2021 and unaudited financial results for the three months period ended June 30, 2021 (d) their report dated November 30, 2020 on the Statement of Possible Special Tax Benefits included in this Draft, and such consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term "expert" shall not be construed to mean an "expert" as defined under U.S. Securities Act, 1933.

Filing

A copy of this DLOF has been filed with the Securities Exchange Board of India, Northern Regional Office situated at 5th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi, Delhi 110001 India and simultaneously through the SEBI Intermediary Portal at <https://siportal.sebi.gov.in>, in accordance with SEBI circular dated January 19, 2018 bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2018/011. This DLOF will be filed with MSEI, where the Rights Equity Shares are proposed to be listed.

Monitoring Agency

Since the issue size is less than 100 Crores, there is no requirement to appoint the monitoring agency to monitor the utilization of the Net Proceeds in terms of Regulation 82(1) of the SEBI (ICDR) Regulations by our Company.

Appraising Entity

The objects of this issue have not been appraised by any bank or any other independent financial institution or any other independent agency.

Credit Rating

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

Debenture Trustee

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

Underwriting

The Issue of Rights Equity Shares is not being underwritten and/ or no standby support is being sought for the said Issue.

Statement of Responsibility of the Lead Manager

Intellicity Capital Advisers Private Limited is the sole Lead Manager to the Issue. The details of responsibilities of the Lead Manager, is as follows:

No.	Activities
1.	Capital structuring with relative components and formalities such as type of instruments, etc.
2.	Drafting and design of the offer document and of advertisement / publicity material including newspaper advertisements and brochure / memorandum containing salient features of the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer, CAF, etc. To ensure compliance with the SEBI ICDR Regulations and other stipulated requirements and completion of prescribed formalities with Stock Exchange and SEBI.
3.	Marketing of the Issue will cover, inter alia, preparation of publicity budget, arrangements for selection of (i) ad-media, (ii) bankers to the issue, (iii) collection centres (iv) distribution of publicity and issue material including CAF, the Abridged Letter of Offer and the Letter of Offer to the extent applicable.
4.	Selection of various agencies connected with the issue, namely Registrar to the Issue, Bankers to the Issue, printers, advertisement agencies, etc.
5.	Follow-up with Bankers to the Issue to get estimates of collection and advising our Company about closure of the Issue, based on the correct figures.
6.	Post-Issue activities will involve essential follow-up steps, which must include finalization of basis of allotment / weeding out of multiple applications, listing of instruments with the various agencies connected with the work such as Registrars to the Issue and Bankers to the Issue. Even if many of these Post-Issue activities would be handled by other intermediaries, the Lead Manager shall be responsible for ensuring that such agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with our Company.

Issue Schedule:

Issue Opening Date:	[•]
Last date for on market renunciation of rights	[•]
Last date for off market renunciation of rights	[•]
Issue Closing Date:	[•]

The Board of Directors or a duly authorized committee (if any) thereof will have the right to extend the Issue period as it may determine from time to time, provided the Issue will not be kept open in excess of 30 days from the Issue Opening Date. No withdrawal of

application by eligible shareholders shall be allowed after issue closing date.

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Draft Letter of Offer is as set forth below:

(in lakhs, except share data)			
S. No.	Particulars	Aggregate Value at Face Value	Aggregate value at Issue Price
A	Authorised Share Capital		
	1,75,00,000 Equity Shares of Rs.10/- each	17,50,00,000	[•]
B	Issued Capital		
	54,71,300 Equity Shares of 10/- each	5,47,13,000	
C	Subscribed and Paid-Up Capital before the Issue		
	53,56,800 Equity Shares of 10/- each	5,35,68,000	[•]
D	Present Issue being offered to the Equity Shareholders through the Letter of Offer aggregating upto [•] Equity Shares of face value Rs. 10 each.		
	[•] Rights Equity Shares of 10/- each at a premium of Rs. 80 i.e. at an Issue Price of [•] per Equity Share.	[•]	[•]
E	Issued, Subscribed and Paid-up Capital after the Offer	Issued capital should be mentioned separately after offer	
	[•] Equity Shares of 10/- each ⁽²⁾	[•]	[•]
F	Subscribed and Paid-up Capital after the Offer		
	[•] Equity Shares of face value of Rs. 10 each	[•]	
G	Securities Premium Account	[•]	
	Before the Issue		[•]
	After the Issue ⁽²⁾		[•]

1. The Issue has been authorised by a resolution of our Board passed at its meeting held on February 10, 2021, pursuant to Section 62 of the Companies Act, 2013.

2. Assuming full subscription for and allotment of the Rights Entitlement.

NOTES TO THE CAPITAL STRUCTURE

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

Our Promoters and Promoter Group have, vide their letters (the "Subscription Letters") undertaken to: (a) 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 Promoters or member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue.

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 (including any unsubscribed portion of the Issue) 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 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

- (i) The shareholding pattern of our Company as on June 30, 2021, is as follows:

Category of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	22	3764700	3764700	70.28	3752100
(B) Public	485	1592100	1592100	29.72	1306900
Grand Total	507	5356800	5356800	100.00	5059000

- (ii) Statement showing holding securities of persons belonging to the category "Promoter and Promoter Group" as on June 30, 2021:

Category of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Equity Shares held in dematerialized form
1. INDIAN					
a. Individuals/ Hindu undivided family	21	3552700	3552700	66.32	3540100
b. Any other (i + ii)	1	212000	212000	3.96	212000
i. Bodies corporate	1	212000	212000	3.96	212000
ii. Directors and their relatives	0	0	0	0	0
2. FOREIGN	0	0	0	0	0
Total (1+2)	22	3764700	3764700	70.28	3752100

(iii) Statement showing holding of securities of persons belonging to the "Public" category as on June 30, 2021:

Category of shareholder	Nos. of shareholders	No. of fully paid-up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a % of (A+B+C)	Number of Equity Shares held in dematerialized form
1.INSTITUTIONS					
Mutual Funds	1	19600	19600	0.37	0
Financial Institutions/ Banks	0	0	0	0	0
2.CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)/ PRESIDENT OF INDIA	0	0	0	0	0
3. NON- INSTITUTIONS					
(i) Individual share capital up to 2 Lakhs	469	541150	541150	10.10	297550
(ii) Individual shareholders holding nominal share capital in excess of 2 Lakhs.	3	917800	917800	17.13	917800
*Kanta Devi	1	859400	859400	16.04	859400
(iii) Body Coporates	8	83700	83700	1.56	61700
*SUMU Financial Services Private Limited	1	62000	62000	1.16	57000
(iv) Resident Indian HUF	3	3450	3450	0.06	3450
(v) IEPF	1	26400	26400	0.49	26400
TOTAL (i+ii+iii+iv+v)	484	1572500	1572500	29.36	1306900
Total Public Shareholding 1+2+3	485	1592100	1592100	29.72	1306900

*Public Shareholder holding more than 1% of the total shares outstanding of the Company

4. As on the date of this Draft Letter of Offer, Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities which are convertible at a later date into Equity Shares.

5. The Equity Shares of our Company are fully paid up and there are no partly paid up Equity Shares as on the date of this Draft Letter of Offer.
6. Our Company does not have any stock option scheme.
7. None of the Equity Shares held by our Promoters or the members of our Promoter Group are locked-in, pledged or otherwise encumbered.
8. The Issue being a Rights Issue, as per the SEBI ICDR Regulations, the requirements of Promoter's contribution and the lock-in are not applicable. Our Promoters or members of the Promoter Group have not acquired Equity Shares of our Company during the last one year immediately preceding the date of filing of this Draft Letter of Offer with SEBI.

Except as disclosed below, no Equity Shares have been acquired by our Promoter or Promoter Group in the last one year immediately preceding the date of this Letter of Offer:

Name of the Promoter/Promoter Group	Date of the Transaction	Number of Equity Shares acquired/sold	Price per Equity Shares (in Rs.)	Nature of Transaction
Promoter Group:				
Livleen Singh Narang	30.03.2021	118300(sold)	Without consideration	Inter-se transfer by way of gift
Gagandeep Singh Narang	30.03.2021	46500	Without consideration	Inter-se transfer by way of gift
Gobindpreet Singh Narang	30.03.2021	71800	Without consideration	Inter-se transfer by way of gift
Promoter Group:				
Kawaljeet Kaur Narang	25.06.2021	210700	Nil	Transmission of shares held by Late Mr. J P Singh Narang (Promoter)

9. Intention and extent of participation by our Promoter and Promoter Group in the Issue:

Our Promoter(s) and entities forming part of our Promoter Group have, *vide* their letters dated [●], (the "Subscription Letters") undertaken to: (a) 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; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue.

10. 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 (including any unsubscribed portion of the Issue) 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 LODR/ SCRR.
11. 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.

OBJECTS OF THE ISSUE

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

1. Object of the issue: - To meet the funding needs of expansion plan i.e. Green Field Project coming up at IMT Rohtak, Haryana.

The proposed project: For the initializing, developing and starting up of the project 'Green Field Project/Construction' which involves the factory building situated at Plant-III as well as the 'Purchasing & installation of plant & machinery' at the premises located on the address Plant-III situated at Plot no. 42, 43 & 44, Sector-31B, IMT Rohtak, Haryana, which has a total project cost amounting to Rs. 3000.00 Lakhs (Rupees Thirty Crores only) excluding the cost of land of Rs. 800.00 Lakhs (self-acquired). The area for the said premises is admeasuring Three (3) acres of the land purchased from the HSIIDC Panchkula, Haryana in the year 2014, for which the payment cycle was finalized on a half yearly instalments basis and the Conveyance Deed has been executed between the Company and HSIIDC on June, 2017.

The details of the Proposed Capital Expenditure: Rs. 3000.00 Lakhs comprises and includes of:

(Rs. In Lakhs)		
Capital Expenditure	Cost	Position as on present date
Building premises	800.00	Proposed
**P&M	2100.00	Proposed
Other F/A	100.00	Proposed
Total	3000.00	Proposed

Tenure of the proposed project: The Construction activities are likely to be completed in the new Plant III by December 2021/January 2022. The Commercial production and the business operations & activities in the new Plant III would tentatively start from February/March 2022.

Sources being arranged by the Company for the initializing of funding:

(Rs. In Lakhs)	
Source(s)	Amount Involved
Proposed Right Issue	482.11
*Borrowings from Bank	2000.00
Internal Accruals	517.89
Total	3000.00

**The Company has already received an In-principle approval from the Karnataka Bank Limited vide their letter dated 14.07.2021 for an amount of Rs. 23.00 Crores for funding of the above project.*

***Additionally, the negotiation process for ordering of machines for the Plant III have started recently and the delivery of the machines is expected from January 2022.*

2. Expenses for the issue

The Issue related expenses consist of fees payable to the Lead Manager, 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 Expense	As a % of Issue size
Fees payable to the intermediaries (including Lead Manager fees, Legal Counsel fees, selling commission, registrar fees and expense)	[•]	[•]	[•]
Advertising, Printing, stationery and distribution Expenses	[•]	[•]	[•]
Statutory and other Miscellaneous Expense	[•]	[•]	[•]
Total	[•]	[•]	[•]

3. General Corporate Purposes

We intend to deploy [•] lakhs from proceeds of the Rights Issue towards General Corporate Purposes including but not restricted to, future growth requirements, capital expenditure, and otherwise meeting the exigencies faced in the ordinary course of business, or any other purposes as approved by our Board. The company will deploy rights issue proceeds judiciously to meet the requirements of the business. However, not more than 25% of the proceeds of the issue would be deployed for the General Corporate purposes.

Schedule of Utilization and Deployment of Funds

Our Company proposes to deploy the entire Issue proceeds towards the Objects as described during Fiscal 2022. In the event of the estimated utilization of the Issue proceeds in the scheduled Fiscal is not undertaken in its entirety, the remaining Issue proceeds shall be utilized in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Issue proceeds are not completely utilized for the Objects during the respective period stated above due to factors such as:

- (i) economic and business conditions;
- (ii) timely completion of the Issue;
- (iii) market conditions outside the control of our Company; and
- (iv) any other commercial considerations, the remaining Issue proceeds shall be utilized (in part or full) in subsequent periods as may be determined by our Company in accordance with applicable laws.

Similarly, subject to our business considerations, our Company may also use the Issue proceeds in the preceding Fiscal, if it is in the best interests of our Company.

The requirement and deployment of funds indicated above is based on internal management estimates, current circumstances of our business and prevailing market conditions.

For details, see "Risk Factors – The Objects for which we propose to utilize Issue proceeds are not appraised by any Bank or Financial Institution and our Management will have flexibility in applying the issue proceeds." on page number 20 of this Draft Letter of Offer.

Sources of financing of funds already deployed

Our Company has deployed Rs. [•] lakhs as of [•], 2021 towards issue expense as certified by [•] Chartered Accountants vide certificate dated [•], 2021. The same have been funded through internal accruals.

Strategic and/ or Financial Partners

There are no Strategic and Financial partners.

Appraisal

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

Bridge Financing Facilities

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

Interim use of Funds

The Issue proceeds pending utilization for the objects described above shall be deposited with scheduled commercial banks included in second schedule of Reserve Bank of India Act, 1934.

Monitoring of Utilization of Funds

Since the proceeds from the Issue are less than 10,000 lakhs, in terms of Regulation 82(4) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, our Company is not required to appoint a monitoring agency for this Issue. Our Board of Directors will monitor the utilization of the Issue proceeds. 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.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "*Postal Ballot Notice*") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other Confirmations

Our promoters, promoter group, directors and key managerial personnel have no interest in any of the objects as stated above and other related matters thereof.



B. L. KHANDELWAL & CO.

CHARTERED ACCOUNTANTS

1, Doctor's Lane, Gole Market, New Delhi - 110001
Phones: Off.: 23742151, 23744372 Resi.: 27561073
(M): - 98103 - 54277
E-mail: blkhandelwal@yahoo.com

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,
The Board of Directors
Mohindra Fasteners Limited
304 Gupta arcade, InderEnclave,
Delhi-Rohtak road, Delhi- 110087

Dear Sirs/Madam,

Subject: Statement of Possible Special Tax Benefits available to Mohindra Fasteners Limited ("the Company") and shareholders of the Company under the direct and indirect tax laws of India

1. We hereby confirm that the enclosed Annexure 'A', prepared by **Mohindra Fasteners Limited** ('the Company'), provides the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 ('the 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 and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfill.
2. The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the rights issue of the shares of the Company.
3. We do not express any opinion or provide any assurance as to whether:
 - i) the Company or its shareholders will continue to obtain these benefits in future;



- ii) the conditions prescribed for availing the benefits have been / would be met with; and
iii) the revenue authorities/courts will concur with the views expressed herein.

4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
5. We shall not be liable to any claims, liabilities or expenses relating to this statement except to the extent 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 M/s B. L. Khandelwal & Co
(Practicing Chartered Accountant)
ICAI Firm Registration Number: 000998N

Place: New Delhi
Date: 18-8-2021
UDIN: 21501180AAAAAU2031

Ashish Modi
CA Ashish Modi
Partner
Membership Number: F501180



**ANNEXURE 'A' TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS
AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE
TAX LAWS IN INDIA**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ("the Act") as amended from time to time, presently in force in India.

I. Special tax benefits available to the Company

There are no special tax benefits available to the Company.

II. Special tax benefits available to Shareholders

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

NOTES:

1. This statement does not discuss any tax consequences in the country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.
2. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
3. The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.



SECTION IV – ABOUT THE COMPANY

HISTORY AND CORPORATE STRUCTURE

History and Background

MOHINDRA FASTENERS LIMITED (MFL) was incorporated as a Public Limited Company on 10th January, 1995 under the Companies Act, 1956. The Certificate of Commencement of business was obtained by the Company on 22nd February, 1995 and it began the commercial production in the beginning of 1997. Over the years, it has successfully emerged as a name to reckon with in the Indian Fastener industry. The company offers a wide range of cold and hot forged fasteners and precision machined components for automotive and industrial applications.

In the year 1996, our Company through an Initial Public Offering issue/allot of 29,88,100 Equity Shares at a face value of Rs. 10/- each & listed its total issued capital 5,47,13,000 (Rupees Five Crores Forty-Seven Lakhs Thirteen Thousand only) (consisting of 54,71,300 Equity Shares) on BSE Limited and Delhi Stock Exchange Limited. Subsequently, in the year 2016, the Equity Shares of our Company were listed on Metropolitan Stock Exchange of India Limited wherein the Company is currently listed.

Changes in our Registered Office:

Date	Particulars of Registered Office	Reason of change in Registered Office
At the time of incorporation	3497-99, Chawri Bazar Delhi 110006	Not Applicable
20.06.1995	304 Sasco Bhawan, Azadpur Comercial Complex Delhi-110033	Due to expiration of tenanted period
22.08.1998	UG 3A SASCO Bhawan Commercial Complex Azadpur Delhi-110033	Due to expiration of tenanted period
25.08.2001	304, Gupta Arcade, Inder Enclave, Delhi-Rohtak Road,, Delhi, New Delhi 110087	Due to requirement of more space.

Our Business:

The Company has categorized its wide range of products under two industry verticals comprising of:

Standard / Norm Parts as per various standards
Drawing / Print / Customized Parts

A wide assortment of standard products as per relevant National/International standards are produced and made available to customers worldwide, meeting customers' requirements of cost, quality and time effectively. Additionally, special/customized parts are made as per customer's request(s) which find their application in various industrial/automotive/railway and other light engineering requirements.

With the help of the state of art machinery, CNC Machines along with other related infrastructure and qualified & experienced and dedicated personnel, MFL offers a single window package providing fastening solutions for all kinds of Fasteners and machined components' requirements of the customer.

MFL manufactures fasteners in various materials such as Steel, Stainless steel, Brass and Ball bearing Steel.

The Company owes its success to its lean manufacturing operations and dedication to quality at every step. System and Quality based Certifications like ISO 9001(2015), ISO 14001(2015), ISO 45001(2018), IATF 16949(2016), NABL as per ISO/IEC 17025(2017), CQI 9 etc. are testimony to our commitment to adhere and ensure Quality at every step. The passion to serve its

customers with the best has successfully translated into significant market share both in domestic and overseas market(s).

Our Manufacturing Process			
Wire Processing Forging	Thread Rolling Machining	Heat Treatment Surface Treatment	Packing & Logistics

MFL has in-house facilities for Spheroidised Annealing and Wire-Drawing to be able to provide desired mechanical properties for forging and machining facilities. Annealing of the wire rod helps to recrystallize the grain structure of steel by allowing new bonds to be formed at the high temperature.

Using the state of art machinery for cold forging processes, MFL can manufacture a wide range of industrial fasteners like Bolts, Studs, Screws, Special fasteners as per etc. Additionally, with the help of in-house hot forging Unit, MFL caters to the bigger and odd size requirements of the customers. Thread rolling process produces fasteners with increased strength than machined threads due to the cold working, as well as better material yield.

Apart from other conventional operations like drilling, grinding and machining, the company has latest CNC machines and vertical milling machines for producing precision components with uncompromising quality. The PLC controlled Continuous Heat treatment lines ensure consistent quality in different material and property grades. The system ensures the required tempered Martensitic structure with right hardness traverse & devoid of any temper brittleness. With PLC controlled Surface treatment facility, MFL delivers quality aesthetics and corrosion resistant Zinc and Zinc Alloy finish conforming to EHV / ROHS norms.

Final quality checks for packing are conducted to ensure that no defect is carried out with the final products. Customized packaging options are offered and with a dedicated logistics department, timely deliveries are ensured to all the customers.

End-users of our Products-

Domestic:

Using efficient and reliable supply chain models, MFL delivers to automotive OEMs, their Tier I suppliers and heavy engineering & infrastructure manufacturers all across India. Proven track record in the industry has made MFL preferred choice for fastener requirements.

International:

We have satisfied customers in all leading countries; with customers ranging from wholesalers, distributors, importers, C part management suppliers, VMI (Vendor Managed Inventory) based industrial companies, specialized automotive resellers & Tier - I suppliers. MFL boasts of supplying its quality products to over 50 active customers in more than 20 industrially developed countries all over the world.

Corporate structure of our Company

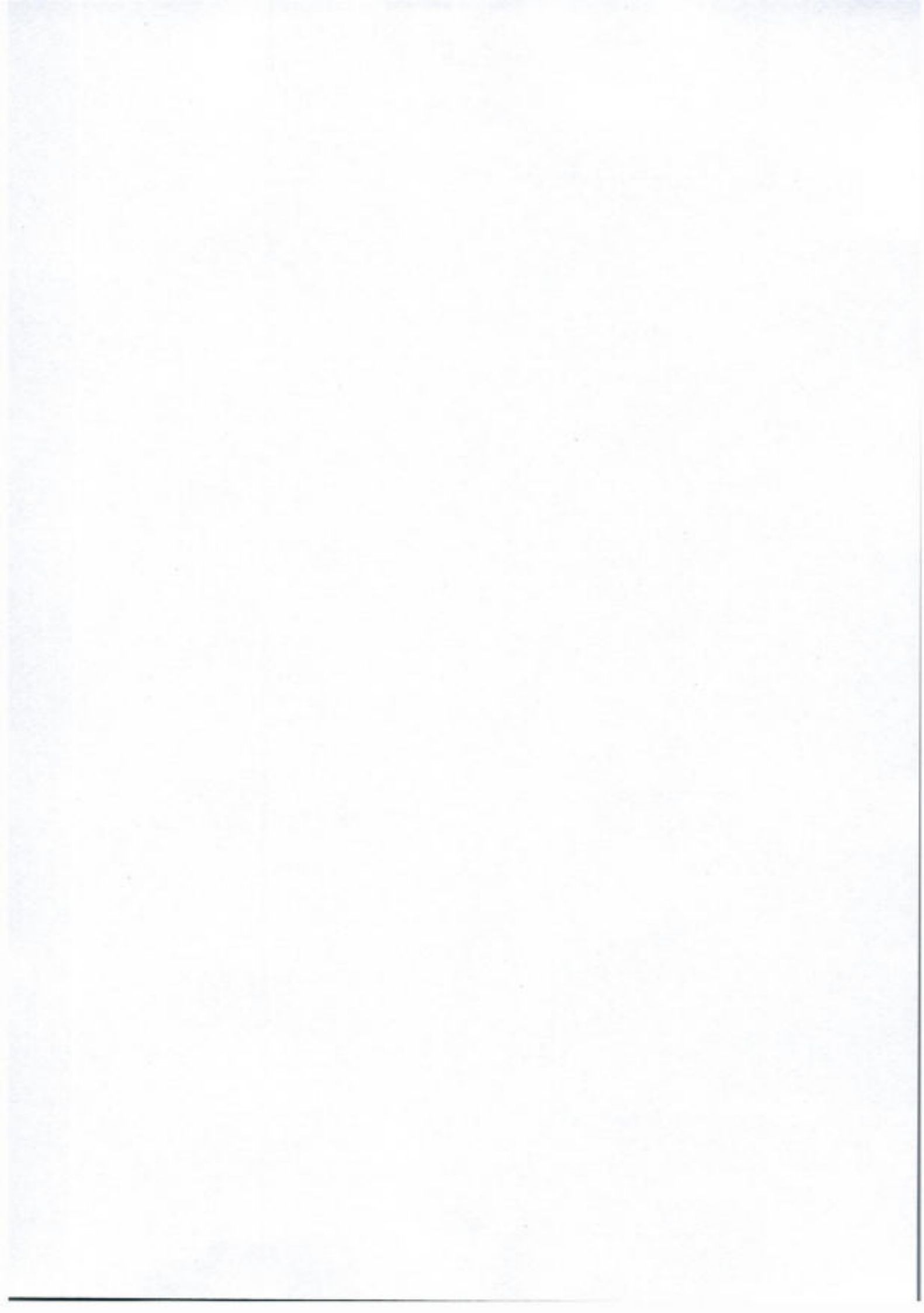
As on the date of this Draft Letter of Offer, there are no Subsidiary, Joint Ventures and Associate Company(s) of the Company.

Main objects of our Company

The main objects of our Company as contained in its Memorandum of Association are:

1. To carry on the business of manufactures, importers, exporters, buyers, sellers, distributors, agents and otherwise dealers in all kinds of nuts, bolts, U bolts, J bolts, stud bolts, allen wrenches screws, machine screws, self-tapping screws, special fasteners, turned components nails, bushes, spares, forged components parts, tools, dies, machine parts of any kind motor, parts and spares, all type of hardware items made of steel, metal malleable grey casting including ferrous, nonferrous, special and alloy steel, spring steel, forging steel and any other alloys and metal.
2. To manufacture or deal in job work of all kinds of forging, special fasteners, special turned components, drilling, milling, grinding, turning, threading, knitting, facing, under cutting, tools and dies for cold and hot forged components, diesel engine parts, auto parts, and all other special fasteners components.

3. To manufacture and/or cold drawing of all type of wires and wires product(s) in all sizes and in all grades of steel, ferrous and Nonferrous metals.
4. To carry on the business as manufactures and dealers in wire nails, wire drawing and galvanizing, electroplating, packing and phosphating stranded wires, hardened wires, wood screws and all other kinds of wires whether made of steel or otherwise and wire products.



DIVIDEND POLICY

The declaration and payment of final dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Dividends paid on Equity Shares:

The dividends declared by the Company on the Equity Shares in each of the Financial Years ending 2021, 2020 and 2019, as per our Audited Financial Statements is given below:

Particulars	Financial Performance		
	For the year ended	For the year ended	For the year ended
	* March 31, 2021	March 31, 2020	March 31, 2019
Face Value per share (in Rs.)	10	10	10
Amount of Dividend (Rs. In Lakhs)	107.14	187.49	160.70
Dividend per share (in Rs.)	2.00 (interim)	3.50	3.00
Rate of Dividend (%)	20	35	30

**The Board of Directors of the Company has recommended a final dividend of Rs. 3.00 per shares (30%) on the equity shares of the company for the FY ended 31st March, 2021, subject to the approval of the Shareholders of the Company at the ensuing AGM.*

The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amount, if any, in the future and there is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, see "Internal Risk Factor. 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" on page number 20 of this Draft Letter of Offer.

OUR MANAGEMENT

Our Articles of Association provide that our Board shall consist of minimum 3(three) Directors and not more than 12 (twelve) Directors, unless otherwise determined by our Company in a general meeting.

As on the date of this Draft Letter of Offer, our Company has 6(six) Directors, comprising of 2(two) Executive Directors, 1(one) Non-Executive Non-Independent Director and 3(three) Independent Directors. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act, 2013 and SEBI Listing Regulations.

Our Board of Directors

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

No.	Name, Designation, Address, Occupation, Term and DIN	Age (Years)	Other Directorships
1.	Deepak Arneja Designation: Chairman cum Managing Director & CEO Address: C-1/21, Model Town III, North West Delhi Delhi, India, 110009 Occupation: Business Period of Directorship: Since 10/01/1995 Term: 5 years Date of birth: 14/07/1970 DIN: 00006112	51	NIL
2.	Ravinder Mohan Juneja Designation: Managing Director Address: 1189/23, D.L.F Colony, Rohtak Haryana, India, 124001 Occupation: Business Period of Directorship: Since 10/01/1995 Term: 5 years (Liable to retire by rotation) Date of birth: 30/03/1950 DIN: 00006496	71	NIL
3.	Gagandeep Singh Narang Designation: Non-executive Director Address: A-135, New Friends Colony, New Delhi, Delhi, India, 110025 Occupation: Business Period of Directorship: 30/09/2016 Term: Liable to retire by rotation Date of birth: 26/11/1981 DIN: 00179636	40	Kanpur Delhi Goods Carriers Limited Kanpur Delhi Transport Private Limited Nikunj Netweb Solutions Private Limited Nipman Impex Private Limited Datar Reality And Hospitality Private Limited Simar Packaging And Manufacturers Private Limited
4.	Vinod Kumar Designation: Independent Director Address: 11096 , 2 Karol Bagh , Dori Wallan, Karol Bagh S.O , Delhi, India, 110005 Occupation: Business	57	Soni Publications Private Limited Sumu Financial Services Private Limited Mohindra Advisory Limited

	Period of Directorship: 21/12/2013 Term: 5 years Date of birth: 04/11/1964 DIN: 02303504		
5.	Ved Prakash Chaudhry Designation: Independent Director Address: House No B - 3, Main Rohtak Road, Shiv Vihar, Paschim Vihar, Delhi, India, 110087 Occupation: Retired Senior Bank Manager Period of Directorship: 30/07/2016 Term: 5 years Date of birth: 01/06/1948 DIN: 07572208	73	NIL
6	Shamoli Thakur Designation: Independent Director Address: H. No 62 Sector 17A, Gurgaon-122001, Haryana Occupation: Service Period of Directorship: 03/08/2018 Term: 5 years Date of birth: 23/06/1968 DIN: 08189763	53	NIL
7	Mr. Sunil Mishra Designation: Chief Financial Officer (CFO) Address: A-3/343, Sector-8, Rohini, New Delhi-110085 Occupation: Service Period of serving as CFO: Since 2014 Date of Birth: 08/11/1961 PAN: AANPM6465A Email: sunil.mishra@mohindra.asia	59	Not Applicable
8	Ms. Nidhi Pathak Designation: Company Secretary(CS) Address: 304, Gupta Arcade, Inder Enclave, Rohtak Road, New Delhi – 110087, INDIA Occupation: Service Period of Service as CS: Since 2017 Date of Birth: 15/10/1988 PAN: CHIPP6380D Email: csnidhipathak@mohindra.asia	32	Not Applicable

Past Directorships in listed companies

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

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

Relationship between the Directors

None of our Directors are related to each other.

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

There is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any of our Directors were appointed on the Board of Directors.

Details of service contracts entered with Directors

There are no service contracts entered between our Company and our Directors which provide for benefits upon termination of employment

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

INDEX

Sl. No.	Particulars	Page No.
1.	Audited financial statement and Independent Auditor's report for the year ended March 31, 2021	49
2.	Unaudited Financial Results for three months period ended June 30, 2021, prepared in accordance with recognition and measurement principles of Ind AS 34 and Regulation 33 of SEBI (LODR) Regulations, 2015, which are subjected to Limited Review by Statutory Auditors of the Company	109

(The remainder of this page has been intentionally left blank)

MOHINDRA FASTENERS LIMITED

304, Gupta Arcade, Inner Enclave, Delhi - Rohtak Road New Delhi-110087
CIN: L74899DL1995PLC064215, Tel. No.: +91-11-46200400, Fax No.: 011-46200444
E-mail id: cs@mohindra.asia, Website: www.mohindra.asia

BALANCE SHEET AS AT 31st March, 2021

(Rs. in Lacs)			
Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
I. ASSETS			
(1) Non-Current Assets			
(i) Property, Plant & Equipment	5 (a)	2464.95	2927.68
(ii) Capital Work in Progress	5 (a)	48.08	1.36
(iii) Intangible Assets	5 (a)	7.07	8.77
(iv) Right-of-use Assets	5 (b)	21.76	0.00
(v) Financial Assets			
(a) Investments	6 (a)	0.24	5.12
(b) Trade Receivables	8 (iv)	20.88	30.88
(c) Other Non-Current Financial Assets	7	417.24	101.51
(vi) Other Non-Current Assets	8	95.10	106.13
(2) Current Assets			
(i) Inventories	9	1795.39	2080.83
(ii) Financial Assets			
(a) Trade Receivables	10	2353.32	1362.33
(b) Cash and Cash Equivalents	11(a)	2183.75	2058.14
(c) Bank Balance other than above mentioned cash & cash equivalents	11(b)	17.41	14.98
(d) Other Current financial assets	12 (a)	94.56	71.89
(iii) Current Tax Assets (Net)	12 (b)	0.77	0.31
(iv) Other Current Assets	13	879.39	752.61
Total Assets		10608.62	9510.92
II. EQUITY AND LIABILITIES			
(1) Equity			
(i) Equity Share Capital	14 (a)	535.68	535.68
(ii) Other Equity	14 (b)	6085.50	5254.53
(2) Non-Current Liabilities			
(i) Financial Liabilities			
(a) Borrowings	15 (a)	0.00	0.00
(b) Other Financial Liabilities	15(b)	11.73	24.85
(ii) Provisions	16	25.70	35.98
(iii) Deferred Tax Liabilities (Net)	17	115.91	157.43
(3) Current Liabilities			
(i) Financial Liabilities			
(a) Borrowings	15 (a)	1510.57	1289.26
(b) Trade Payables	18		
(i) Total outstanding dues of Micro enterprises and Small Enterprises		85.47	70.06
(ii) Total outstanding dues of Creditors other than Micro enterprises and Small Enterprises		1665.81	1162.41
(c) Other Financial Liabilities	19	37.52	26.37
(ii) Other Current Liabilities	20	187.44	214.41
(iii) Provisions	21	146.89	134.98
(iv) Current Tax Liabilities (Net)	22	0.00	0.00
Total Equity & Liabilities		10608.62	9510.92

Notes 1 to 43 form an integral part of these financial statements

As per our Report of even date

For: B.L. Khandelwal & Co.
Chartered Accountants
Firm Reg. No.: 000998N

BAJRANG LAL
KHADELWA
Digitally signed by
BAJRANG LAL
KHADELWA
Date: 2021.06.26
16:41:18 +05'30'

B.L. Khandelwal
(Partner)
Membership No.: F-12331

Place: New Delhi
Date: 26.06.2021

For & on Behalf of the Board of Directors

Deepak Arneja
(Managing Director & COO)
DIN: 00006112

Ravinder Mohan Juneja
(Managing Director)
DIN: 00006496

SURESH
(Chief Financial Officer)

Nidhi Pathak
(Company Secretary)

MOHINDRA FASTENERS LIMITED

304, Gupta Arcade, Inder Enclave, Delhi - Rohtak Road New Delhi-110087
CIN: L74899DL1995PLC064215, Tel. No.: +91-11-46200400, Fax No.: 011-46200444
E-mail id: cs@mohindra.asia, Website: www.mohindra.asia

STATEMENT OF PROFIT & LOSS OF THE YEAR ENDED 31st MARCH, 2021

(Rs. in Lacs)			
Particulars	Note	Year ended 31st March, 2021	Year ended 31st March, 2020
Continuing Operations			
Revenue from operations	23	10,601.63	10,147.79
Other Income	24	236.91	269.60
Total Revenue		10,838.54	10,417.39
Expenses:			
Cost of Materials Consumed	25	3,748.08	3,683.34
Changes in inventories of Finished Goods		203.43	(96.60)
Work-In-Progress & Stock in Trade	26	1,961.57	2,048.52
Employee Benefits Expense	27	64.37	59.46
Finance Costs	28	319.28	354.07
Depreciation and Amortization Expense	29	3,161.28	3,165.43
Other Expenses	30		
Total Expenses		9,458.01	9,208.22
Profit before exceptional items and tax		1,380.53	1,209.17
Exceptional items			
Profit before tax		1,380.53	1,209.17
Tax expense:	31		
Current Tax		378.43	350.47
Deferred Tax Liability/(Assets)		(35.96)	(78.07)
Profit for the year		1,038.56	936.77
Other comprehensive income	32		
Items that will not be reclassified to profit or loss			
(a) Re-measurement gains/(losses) on defined benefit plans		(22.15)	(61.93)
(b) Income tax effect on (a) above		5.57	15.59
(c) Fair value gains/(losses) on Equity Instruments		4.12	(7.43)
Total Other comprehensive income		(12.46)	(53.77)
Total comprehensive income for the year		1,026.10	883.00
(Comprising Profit and Other Comprehensive Income for the year)			
Earnings per equity share	33		
Basic (in ₹)		19.38	17.49
Diluted (in ₹)		19.38	17.49
Weighted average number of equity shares used in computing earnings per equity share			
Basic (in Nos.)		53,56,800	53,56,800
Diluted (in Nos.)		53,56,800	53,56,800

Notes 1 to 43 form an integral part of these financial statements
As per our Report of even date

For B.L. Khandelwal & Co.
Chartered Accountants
Firm Reg. No.: 000998N

BAJRANG LAL
KHADELWAL

B.L. Khandelwal
(Partner)
Membership No.: F-12331

Digitally signed by
BAJRANG LAL
KHADELWAL
Date: 2021.06.26
16:41:59 +05'30'

For & on Behalf of the Board of Directors

Deepak Arora
(Managing Director & CEO)
DIN : 00006112

Ravinder Mohan Joneja
(Managing Director)
DIN : 00006495

Sunil Mishra
(Chief Financial Officer)

Nidhi Pathak
(Company Secretary)

Place : New Delhi
Date : 26.06.2021

MOHINDRA FASTENERS LIMITED

304, Gupta Arcade, Inder Enclave, Delhi - Rohtak Road New Delhi-110087
CIN: L74899DL1995PLC064215 Tel. No.: +91-11-46200400, Fax No.: 011-46200444
E-mail id: cs@mohindra.asia, Website: www.mohindra.asia

Cash Flow Statement for the year ended 31st March, 2021

(Rs. in Lacs)		
Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A. Cash Flow from Operating Activities		
Profit/(Loss) before tax	1380.53	1269.17
Adjustment for:-		
Depreciation and amortisation	319.28	354.07
(Profit)/ Loss on Sale of Property, Plant & Equipment (Net)	-1.96	-0.34
Finance Costs	64.37	55.46
Interest Income	-154.59	-109.80
Dividend Income	-0.01	-0.09
Operating Profit/(Loss) before Working Capital Changes	1607.61	1508.37
Adjustments for (increase)/ decrease in operating assets:-		
- Inventories	-285.43	-42.18
- Other Current assets	-1139.92	-1525.65
- Non current assets	-304.30	-75.78
Adjustments for increase/ (decrease) in operating Liabilities:-		
- Trade payables	217.91	-370.83
- Other Current liabilities	-7.70	24.62
- Non current liabilities	-36.43	-31.94
Cash generated from Operations	622.61	2631.69
Taxes Paid (Net)	-379.20	-366.78
Net Cash generated from Operating Activities (A)	243.40	2264.91
B. Cash Flow from Investing Activities		
Capital Expenditure on Property, Plant & Equipment	-124.12	-103.90
Proceeds from sale of Property, Plant & Equipment	2.83	2.05
Interest Income	154.99	100.90
Dividend Income	0.01	0.09
Net Cash generated from Investing Activities (B)	33.31	8.15
C. Cash Flow from Financing Activities		
Proceeds/(Repayment) of Long Term Borrowings (Net)	0.00	0.00
Proceeds/(Repayment) of Short term Borrowings (Net)	221.29	-491.17
Finance Cost Paid other than interest on lease liabilities	-40.38	-50.33
Dividends Paid	-294.62	-160.70
Dividend Distribution Tax Paid	0.00	-33.64
Principal payment of Lease Liabilities	-11.41	-10.34
Interest paid on Lease Liabilities	-3.99	-5.13
Net Cash generated from Financing Activities (C)	-149.12	-750.71
Net increase in cash and cash equivalents	127.60	1522.34
Cash and Cash Equivalents at the Beginning of the Year	2056.14	533.80
Cash and Cash Equivalents at the End of the Year*	2183.73	2056.14
Notes 1 to 43 form an integral part of these financial statements		
Notes:		
(i) The above Cash Flow Statement has been prepared under Indirect Method as set out in Ind As -2.		
(ii) The Cash Flow Statement reflects the combined cash flows pertaining to continuing operations.		
(iii) All figures in brackets are outflows/ decrease in cash & cash equivalents.		
(iv) Previous years figures have been regrouped/restated wherever necessary.		
(v) *Cash and Cash Equivalents are Cash and Bank balances as mentioned in Note No. 11(a)		

As per our Report of even date
For B.L. Khandelwal & Co.
Chartered Accountants
Firm Reg. No.: 000998N

BAJRANG LAL KHADELWAL
B.L. Khandelwal
(Partner)
Membership No.: F-12331

Place : New Delhi
Date : 26.06.2021

Digitally signed by
BAJRANG LAL
KHADELWAL
Date: 2021.06.26 16:42:26
+05'30'

For & on Behalf of the Board of Directors

Deepak Arvella
(Managing Director & CEO)
DIN : 00006113

Ravinder Mohan Juneja
(Managing Director)
DIN : 00006496

Sunil Mishra
(Chief Financial Officer)

Nidhi Pathak
(Company Secretary)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

1. Corporate Information

Mahindra Fasteners Limited ("MFL" or "the Company") is incorporated in India and its shares are listed but not publicly traded in the Metropolitan Stock Exchange of India Limited ("MSEI"), in India.

The registered office of the Company is situated at 304, Gupta Arcade, Inder Enclave, Delhi-Rohetak Road, Delhi-110087, INDIA.

2. Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, as amended, provisions of the Companies Act, 2013, to the extent notified and pronouncements of the Institute of Chartered Accountants of India.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Disclosures under Ind AS are made only in respect of material items and in respect of the items that will be useful to the users of financial statements in making economic decisions.

The financial statements for the year ended 31st March 2021 (including comparatives) are duly approved and authorised for issue by the Board of directors at their board meeting held on 26th June, 2021.

3(a). Key Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(a) Measurement of defined benefit obligations – Note 27

(b) Measurement and likelihood of occurrence of provisions and contingencies – Notes 34

(c) Recognition of deferred tax assets/liabilities – Note 17

(d) Measurement of Lease liabilities and Right of Use Asset (ROUA) – Notes 5(b), 15(b), 19 & 41

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

3(b). Significant management judgment in applying accounting policies and estimation of uncertainty

While preparing the financial statements, management has made a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

(i) Significant management judgment

The following are significant management judgments in applying the accounting policies of the Company that have significant effect on the financial statements.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In addition, careful judgment is exercised in assessing the impact of any legal or economic limits or uncertainties in various tax issues.

(ii) Estimation of uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is mentioned below. Actual results may be different.

a. Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of assets including Intangible Assets.

b. Inventories

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes.

c. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

4. Summary of accounting policies

1) Overall considerations

The financial statements have been prepared applying the significant accounting policies and measurement bases summarized below.

2) Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable and net of returns, trade allowances and rebates and discount. The revenue excludes GST.

i. Sale of Products:

Revenue from sale of products is recognized when significant risks and rewards of ownership pass to the customers, as per the terms of the contract and when the economic benefits associated with the transactions will flow to the Company.

ii. Interest and Dividend Income:

Interest incomes are recognized using the effective interest method. Interest income is included in other income in the statement of profit and loss.

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be reliably measured.

3) Property, plant and equipment

i. Free hold land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation/amortization and impairment, if any. Cost includes:

- a. Purchase Price
- b. Taxes and Duties
- c. Labour cost and
- d. Directly attributable overheads incurred upto the date the asset is ready for its intended use.

However, cost excludes GST, excise duty, value added tax and service tax, to the extent credit of the duty or tax is availed of.

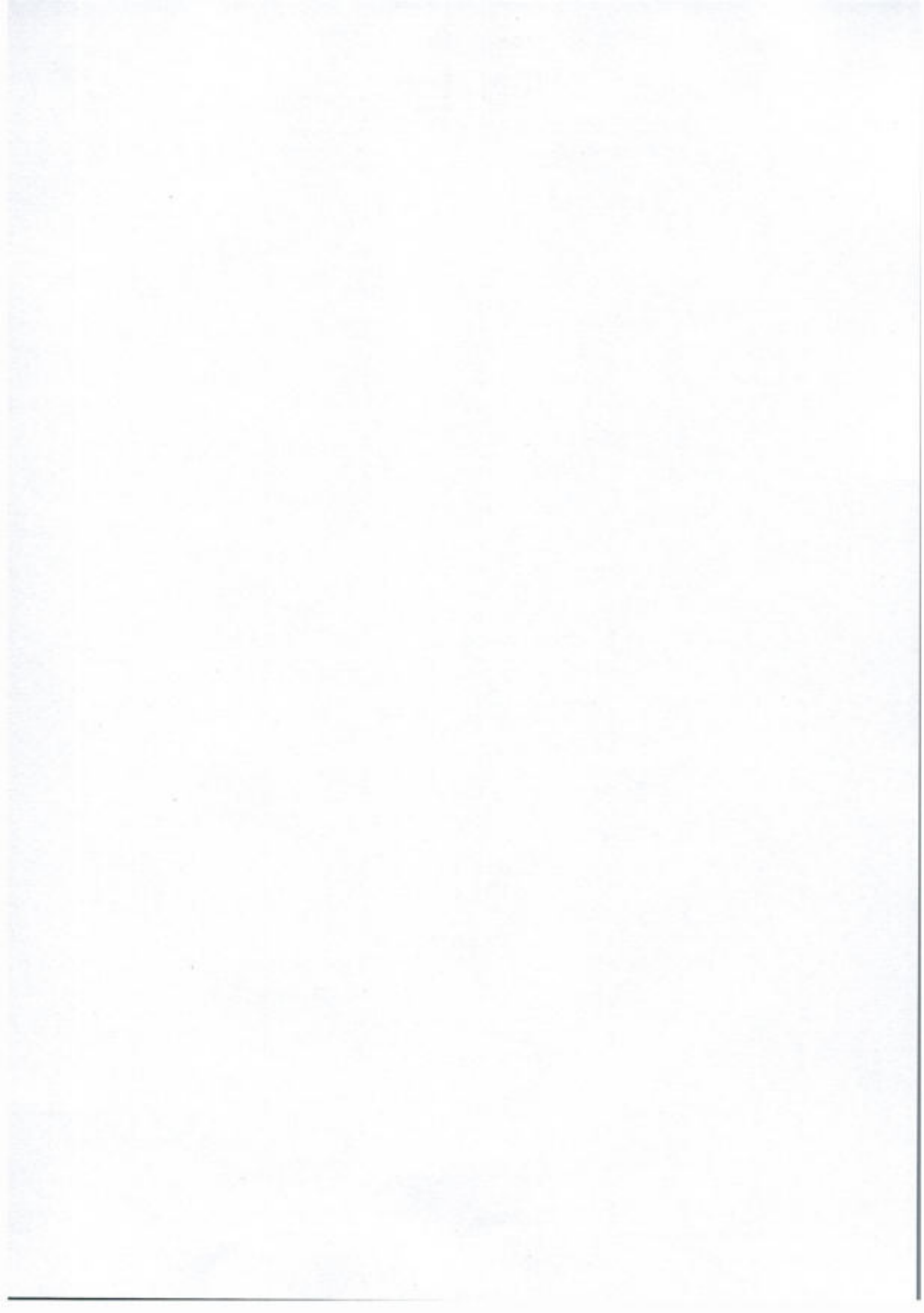
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

ii. Component Accounting:

The component of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of the respective asset, the life of the component in assets are determined based on technical assessment and past history of replacement of such components in the assets. The carrying amount of any component accounted for as separate asset is derecognized when replaced.

iii. Other cost:

All other repairs and maintenance cost are charged to the statement of profit and loss during the reporting period in which they are incurred.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Profit or Losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within other income/(loss).

iv. Depreciation and amortization:

- a. Depreciation is recognized on a straight line basis, over the useful life of the Property, Plant and other equipment's as prescribed under Schedule II of the Companies Act, 2013.
- b. Depreciation on tangible fixed assets is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated on technical assessment on straight line method, in accordance with Part-A of Schedule II to the Companies Act, 2013.
- c. The residual value for all the above assets are retained at 5% of the cost. Residual values and useful lives are reviewed and adjusted, if appropriate, for each reporting period.
- d. On tangible fixed assets added/dropped off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.

4) Intangible assets

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discounts and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs and any cost directly attributable to bringing the assets to its working condition for the intended use. Net changes on foreign exchange contracts and adjustments arise from exchange rate variations attributable to intangible assets.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the entity and the cost can be measured reliably.

Gain or losses arising from derecognition of an intangible asset are measured as the differences between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the assets is derecognized.

Computer software are amortized over a maximum period of 5 years.

5) Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In respect of assets whose impairment are to be assessed with reference to other related assets and such group of assets have independent cash flows (Cash Generating Units), such assets are grouped and tested for impairment.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

6) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio leases with similar characteristics.

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or 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 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.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

The Company has adopted Ind AS 116 on "Leases" with effect from April 1, 2019 using modified retrospective approach along with a transition option to recognize Right of use (ROU) asset at an amount equal to the lease liability. Accordingly, there is no impact of Ind AS 116 adoption to the retained earnings as at April 1, 2019 or the results reported for the year ended March 31, 2019.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

7) Financial Assets, Financial Liabilities and Financial Instruments

Recognition, initial measurement and derecognition:

Financial assets (other than trade receivables) and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Trade receivables are recognized at their transaction value as the same do not contain significant financing component.

The 'trade payable' is in respect of the amount due on account of goods purchased in the normal course of business. They are recognized at their transaction and services availed value as the same do not contain significant financing component.

Financial Assets Classification and subsequent measurement of financial assets:

- i. For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at those to be measured subsequently at fair value either through other comprehensive income (Fair Value Through Other Comprehensive Income-FVTOCI)

Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. This election is made on an instrument-by-instrument (i.e., share-by-share) basis.

The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

ii. Impairment of financial assets:

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

iii. Trade receivables

An impairment loss should be regarded as incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after initial recognition (a 'loss event').

iv. Derecognition of financial assets

A financial asset is derecognized only when:

- a) The Company has transferred the rights to receive cash flows from the financial asset or
- b) The Company retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company examines and assesses whether it has transferred substantially all risk and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risk and rewards of ownership of the financial asset, the financial asset is derecognized, if the Company has not retained control of the financial asset. Where the company retains control of the financial asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial Liabilities

i. Classification, subsequent measurement and derecognition of financial liabilities

a. Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortized cost. The Company's financial liabilities include borrowings, trade and other payables.

Subsequent measurement

Financial liabilities are measured subsequently at amortized cost using the effective interest method.

b. Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. 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 derecognition 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

8) **Inventories**

Inventories are valued at lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Cost is ascertained on FIFO basis in accordance with the method of valuation prescribed by the Institute of Chartered Accountants of India.

i. Raw materials

Raw materials are valued at cost of purchase net of duties (credit availed w.r.t taxes and duties) and includes all expenses incurred in bringing the materials to location of use.

ii. Work-in-process and Finished Goods

Work-in-process and finished goods include conversion costs in addition to the landed cost of raw materials and are valued at Cost or Net Realizable Value, whichever is less.

iii. Stores and spares

Stores, spares and tools cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

9) **Income Taxes**

Tax expense recognized in the statement of profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the Balance Sheet Approach on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognized in other comprehensive income (OCI) are disclosed under OCI.

Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, which is effective from April 1, 2019, domestic companies have the option to apply a special income tax rate under section 115BAA with effect from April 1, 2019 subject to certain conditions specified there in. The Company has exercised the above option and accordingly, it has recognized provision for income tax and remeasured its deferred tax liability for the year ended March 31, 2021 based on the lower annual effective income tax rate.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future tax liability. This is assessed based on the Company's forecast of future earnings, excluding non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies some exemptions.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

101 Post-employment benefits and short-term employee benefits

i. Short term obligations:

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognized up to the end of the reporting period at the amounts expected to be paid at the time of settlement.

Bonus Payable: The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

ii. Other long term employee benefit obligations:

The liabilities for compensated absences /earned leave are not expected to be settled wholly within 12 months after end of the period in which the employees render the related service. They are, therefore, recognized and provided for at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in Statement of Profit & Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii. Post-employment obligation:

The Company operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees
- b) Defined contribution plan such as provident fund

Gratuity obligation:

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries 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. The cost is included in employee benefit expenses in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (net of deferred tax). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit or Loss or service cost.

Provident Fund:

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees salary. The provident fund contributions are made to EPFO. The Company is liable for annual contributions and any shortfall in the fund assets based on the Government specified minimum rates of return and recognizes such contributions and shortfall, if any, as an expense in the year in which it is incurred.

During the year, however, there was no short fall in the fund asset or in the specified minimum rate of return.

11) Provisions and contingent liabilities

i. Provisions:

A Provision is recorded when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are evaluated at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. No discounting of provision amount has been made as time value of money is not material.

Contingent liabilities:

Whenever there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

ii. Contingent Assets:

The Company does not recognize contingent assets. If it is virtually certain then they will be recognized as asset. These are assessed continually to ensure that the developments are appropriately disclosed in the financial statements.

12) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are considered for the effects of all dilutive potential equity shares. There

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

is no diluted earnings per share as there are no dilutive potential equity share.

13) Cash and Cash equivalents and Cash Flow Statement

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within three months from the date of acquisition and which are readily convertible into cash and which are subject to only an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents include cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

14) Segment reporting

The Company is engaged in manufacture and sale of cold and hot forged fasteners, precision machined components and other parts which by and large have applications in Automobile Industry and thus the company has only one reportable segment.

15) Borrowing costs

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. Other borrowing costs are expensed in the period in which they are incurred under finance costs. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to interest costs.

Mohindra Fasteners Ltd.
Notes to Financial Statement for the year ended 31st March, 2021

Note : 5 Property, Plant & Equipment

	Rs. In lacs			
Property, Plant & Equipment	Tangible Assets As on 31.03.2021	Intangible Assets as on 31.03.2021	Capital Work in Progress as on 31.03.2021	Tangible Assets as on 31.03.2020
Owned Assets (refer note 5 (a) below)	2664.95	7.00	48.08	2892.71
Total	2664.95	7.00	48.08	2892.71
				8.77
				0.00

	Gross Block				Depreciation & / Amortization				Rs. In lacs	
5 (a) Owned Assets	As at 01-04-2020	Adj./ Add.	As at 31-03-2021	As at 01-04-2020	Adj./ Add.	As at 31-03-2021	As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
Tangible Assets:										
Industrial Freehold Land	873.21	0.00	873.21	0.00	0.00	0.00	0.00	0.00	873.21	873.21
Buildings	754.18	0.00	754.18	344.01	22.01	268.16	366.02	388.16	410.17	410.17
Plant & Machinery	5537.61	60.69	5598.30	3982.46	268.16	4250.63	4250.63	1342.67	1559.15	1559.15
Furniture & Fittings	88.26	0.69	88.95	22.67	2.78	25.45	25.45	13.48	15.97	15.97
Motor Vehicles	54.44	4.88	59.32	30.46	4.23	34.69	34.69	23.77	23.90	23.90
Office Equipment	77.83	3.92	81.75	67.94	3.89	71.83	71.83	9.91	9.69	9.69
Computers and Data Processing Units	111.10	5.72	116.83	106.35	1.72	108.07	108.07	8.75	8.75	8.75
Sub Total (A)	7496.63	75.90	7555.21	4603.92	302.79	4890.26	4890.26	2664.95	2892.71	2892.71
Intangible Assets										
Computer Software	49.90	1.50	51.40	41.13	3.28	44.40	44.40	7.00	8.77	8.77
Sub Total (B)	49.90	1.50	51.40	41.13	3.28	44.40	44.40	7.00	8.77	8.77
	7546.53	77.40	7606.62	4645.05	306.06	4934.66	4934.66	2671.95	2901.49	2901.49
Capital Work-in-progress										
Sub Total (C)	1.36	47.05	48.41	0.00	0.00	0.00	0.00	48.08	0.00	0.00
Total (A + B + C)	7547.89	124.44	7606.62	4645.05	306.06	4934.66	4934.66	2720.03	2901.49	2901.49

Mohindra Fasteners Limited
Notes to Financial Statement for the year ended 31st March, 2021

Note - 5(b): Addition of Leased Assets on account of Transition to Ind AS 116- 1st April, 2019

Rs. in lacs

Leased Assets / Right-of-use Assets	Gross block			Depreciation on Right-of-use Assets			Net Block		
	As at 01-04-2020	Addition	Disposals	As at 31-03-2021	As at 01-04-2020	Addition	Disposals	As at 31-03-2021	As at 31-03-2020
Tangible Assets:									
Land & Building	46.63	0.00	0.00	46.63	11.66	13.21	0.00	24.87	34.97
Total	46.63	0.00		46.63	11.66	13.21	0.00	24.87	34.97

Notes:-

(a) The Company incurred Rs. 17.65 lacs for the year ended 31st March, 2021 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is Rs. 33.05 lacs for the year ended 31st March, 2021, including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is Rs. 3.99 lacs for the year.

(b) The Company's leases mainly comprise of land and building used for manufacturing facilities. The Company also has leases for equipment.

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the Year ended 31 March, 2021

(Rs. in Lacs)

Note : 6 (a) Non-Current Investments

Particulars	As at 31st March, 2021	As at 31st March, 2020
Fair value through Other Comprehensive Income		
Investment in Equity Instruments		
(Quoted)		
1800 (PY 1500) Equity Shares of Rs. 10/- (PY Rs.10/-) each in Bank of India (Fully paid)	1.16	0.57
3000 (PY 3000) Equity Shares of Rs. 2/- (PY Rs.2/-) each in Sterling Tools Limited (Fully Paid)	5.38	3.42
400 (PY 400) Equity Shares of Rs. 1/- (PY Rs. 1/-) each in Sundram Fasteners Limited (Fully Paid)	2.70	1.17
150 (PY 150) Equity Shares of Rs. 10/- (PY Rs.10/-) each in Lakshmi Precision Screws Ltd. (Fully Paid)	0.01	0.00
Total in ₹	9.24	5.12
Other Information		
Quoted Investments		
Market Value	9.24	5.12

Note : 6 (b) Trade Receivables

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good)		
Trade Receivables	20.88	20.69
	20.88	20.69

Note : 7 Other Financial Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good)		
Security Deposits	102.71	101.91
Bank Deposit with more than 12 months maturity on account of Bank Deposit as Margin Money Deposited *	314.52	0.00
Total in ₹	417.24	101.91

* Margin Money held with banks against opening of Letter of Credit (LC) including interest

Note : 8 Other Non Current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured and Considered good)		
Deposit with statutory authority under protest	35.63	35.63
Balance with Revenue Authorities	32.23	0.00
Compensated Absences	26.09	0.00
Others#	1.15	70.50
Total in ₹	95.10	106.13

#Other current assets includes advance paid Rs. 1.15 lacs (P.Y. Rs.16.31 Lacs) towards Defined Benefit Plan- Gratuity/ Compensated absences

Note : 9 Inventories

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw Material	559.46	509.80
Work-in-Progress	278.65	293.29
Finished Goods	516.56	715.70
Consumables, Stores, Tools, Spares & Packing Material	398.03	151.45
Scrap	12.70	2.30
Goods-in-Transit	0.00	0.15
Total in ₹	1795.39	2080.61

MOHINDRA FASTENERS LIMITED
Notes to Financial Statement for the Year ended 31 March, 2021

(Rs. in Lacs)

Note 9.1: > Goods in Transit includes the followings :-

Raw Material	-	7.61
Consumables, Stores, Tools, Spares & Packing Material	-	0.54
Total in ₹	-	8.15

Note : 10 Trade Receivables

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered good)		
Outstanding for more than six months	100.83	34.31
Others	2352.49	1328.02
Total in ₹	2353.32	1362.33

Note : 11(a) Cash & Cash Equivalents

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks (Current Account)	50.23	40.05
Cash on Hand	3.84	2.37
* Fixed Deposit with maturity within 12 months	2129.66	2013.73
Total in ₹ (A)	2183.73	2056.14

* Fixed Deposit maturity within 3 months Rs.660.52 Lacs & Maturity within 3-12 months Rs.1469.14 Lacs

Note: 11(b) Bank balance other than above mentioned Cash & Cash Equivalents

Particulars	As at 31st March, 2021	As at 31st March, 2020
Emarked Balances with Banks (Unpaid Dividend Account)	17.41	14.90
Total in ₹ (B)	17.41	14.94
Total in ₹ (A)+(B)	2201.14	2071.10

Note: 12 (a) Other Financial Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered good)		
Security Deposits	1.55	1.28
Interest Accrued But Not Due	92.97	70.61
Total in ₹	94.56	71.89

Note: 12 (b) Current Tax Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance Payment of Taxes/TDS (Net of provision of Rs.379.26 Lacs -(P.F.Rs.350.78 Lacs))	0.77	0.31
Total in ₹	0.77	0.31

Note :13 Other Current Assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, Considered good)		
Advance to Suppliers	12.52	11.07
Balance With Revenue Authorities	841.21	710.09
Advance to Others	7.20	7.66
Prepaid Expenses	12.92	13.18
Receivable from employees	5.34	3.19
Total in ₹	879.19	752.61

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the Year ended 31st March, 2021

(Rs. in Lacs)

Note : 14 (a) Share Capital

Particulars	As at 31st March, 2021	As at 31st March, 2020
AUTHORIZED SHARE CAPITAL		
*12000000 Equity Shares of Rs. 10/- each. (P.Y. 12000000 Equity Shares of Rs. 10/- each.)	1200.00	1000.00
1000000 Non Convertible Cumulative Preference Shares of Rs. 10/- each. (P.Y. 1000000 Non Convertible Cumulative Preference Shares of Rs. 10/- each.)	100.00	100.00
	1300.00	1100.00
ISSUED CAPITAL		
1471300 Equity Shares of Rs. 10/- each, fully paid up (P.Y. 1471300 Equity Shares of Rs. 10/- each fully paid up)	1471.30	1471.30
SUBSCRIBED AND PAID UP CAPITAL		
1356800 Equity Shares of Rs. 10/- each fully paid up (P.Y. 1356800 Equity Shares of Rs. 10/- each fully paid up)	1356.80	1356.80
Total in ₹	1356.80	1356.80

a) The Reconciliation of the Number of Equity Shares	No. of Shares	No. of Shares
Balance at the beginning of the year	1356800	1356800
Add : Issued Shares During the Year		
Balance at the end of the Year	1356800	1356800

b) The company has only one class of shares referred to as equity shares having a par value of Rs. 10/- . Each holder of equity shares is entitled to one vote per share.

c) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of Shareholders holding more than 5% Shares as at 31st March, 2021 and 31st March, 2020 are as follows:	As at 31st March, 2021	As at 31st March, 2020
Name Of Shareholders		
Joseph Arreaga		
No. of Shares	570900	570900
(% of Shares held)	10.66	10.66
Ravinder Mohan Tunge		
No. of Shares	305350	305350
(% of Shares held)	9.43	9.43
Anurag Arreaga		
No. of Shares	320100	320100
(% of Shares held)	10.63	10.63
Ramdeo Singh Narang		
No. of Shares	428500	428500
(% of Shares held)	6.09	6.09
Sudhir Arreaga		
No. of Shares	392400	392400
(% of Shares held)	7.33	7.33
Kanta Devi		
No. of Shares	859400	859400
(% of Shares held)	16.04	16.04

As per records of the Company, its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholders represents both legal and beneficial ownership of shares.

e) Bonus Shares/Buy Back/Shares for consideration other than cash issued during the period of five years immediately preceding the financial year ended 31st March, 2021.

i) Aggregate number of equity shares allotted as fully paid pursuant to contract without payment being received in cash - Nil.

ii) Aggregate number of equity shares as fully paid up by way of bonus shares - Nil.

iii) Aggregate number of equity shares bought back - Nil.

Mohindra Fasteners Limited **Notes to Financial Statement for the Year ended 31st March, 2021**

Note : 1a(b)-Statement of Changes in Equity for the year ended 31st March, 2021.

A. Equity Share Capital

Particulars	As at 31st March, 2020	Changes in equity share capital during the year	As at 31st March, 2021	Changes in equity share capital during the year	As at 31st March, 2021
Equity Share Capital	535.68	0.00	535.68	0.00	535.68

B. Other Equity

Particulars	Reserves and Surplus				Items of Other Comprehensive Income that will not be reclassified to Profit and loss		
	General reserve	Capital Reserve	Other Reserves	Retained Earnings	Items of Other Comprehensive Income that will not be reclassified to Profit and loss		
					Equity Instruments	Other Items	Total
Balance as at 1 April, 2019	230.00	5.74	83.09	4,342.26	11.16	-7.27	4,664.99
Profit for the year	0.00	0.00	0.00	936.77	0.00	0.00	936.77
Re-measurement of gain/(loss) on defined benefit Plan (Net of Tax)	0.00	0.00	0.00	0.00	0.00	-46.34	-46.34
Fair value gain/(loss) of equity instruments through Other Comprehensive Income (Net of tax)	0.00	0.00	0.00	0.00	-7.43		-7.43
Less: Dividend of FY 18-19 paid in FY 19-20	0.00	0.00	0.00	140.70	0.00	0.00	-140.70
Less: CDT of FY 18-19	0.00	0.00	0.00	-33.04	0.00	0.00	-33.04
Less: Excess/(Short) Provision of Previous Year	0.00	0.00	0.00	0.29	0.00	0.00	0.29
Balance as at 31st March, 2020	230.00	5.74	83.09	5,008.57	3.73	-53.62	5,394.53
Profit for the year	0.00	0.00	0.00	1,638.06	0.00	0.00	1,638.06
Re-measurement of gain/(loss) on defined benefit Plans (Net of Tax) (Refer Note 32)	0.00	0.00	0.00	0.00	0.00	-16.58	-16.58
Fair value gain/(loss) of equity instruments through Other Comprehensive Income (Net of tax)	0.00	0.00	0.00	0.00	4.12	0.00	4.12
Less: Dividend (Rs. 3.50 per share) of FY 19-20 paid in FY 20-21	0.00	0.00	0.00	-187.49	0.00	0.00	-187.49
Less: Interim Dividend (Rs. 2 per share) of FY 20-21	0.00	0.00	0.00	107.14	0.00	0.00	107.14
Balance as at 31st March, 2021	230.00	5.74	83.09	5,829.01	7.85	-70.20	6,085.50

Notes 1 to 43 form an integral part of these financial statements

Notes 1 to 43 form an integral part of these financial statements.

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the Year ended 31st March, 2021

(Rs. in Lacs)

if) Total dividends on shares are recorded as a liability on the date of approval by the shareholders. The amount of per share dividend recommended as distribution to equity shareholders is as follows:

Particulars	Year ended 31st March, 2021 (Rs.)	Year ended 31st March, 2020 (Rs.)
Interim dividend for fiscal 2021	2.00	
Final dividend for fiscal 2020	3.00	
Final dividend for fiscal 2019		3.00

The Board of Directors, at its meeting held on 10th February, 2021 recommended and paid interim dividend Rs. 2.00 per equity shares for the financial year ended March 31, 2021, amounting to Rs. 107.14 Lacs.

The Board of Directors, at its meeting held on 20th June, 2021, recommended a final dividend of Rs. 3.00/- per equity share for the financial year ended March 31, 2021. This payment is subject to the approval of shareholders at the ensuing Annual General Meeting of the Company and if approved, would result in a net cash outflow of approximately Rs. 160.70 Lacs. The final dividend of Rs. 3.00/- per equity share and the resultant expected cash outflow is based on the outstanding number of shares after considering shares bought back if any by the Company subsequent to the year ended March 31, 2021.

g) Capital Management

The Company's capital management objectives is to ensure the adequate return to the shareholder by maintaining the optimal capital structure.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximize the shareholder value.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Borrowings	0.02	1289.28
Cash and cash equivalents	-2183.72	-2056.14
Net Borrowings (A)	-2183.72	-766.86
Total Equity	9.02	5890.22
Equity (B)	9.02	5890.22
Net Debt to equity Co(A/B)*100	-242.43	-13.02

Note : 15 (a) Borrowings (Current/Non-Current)

Particulars	Current Portion		Non Current Portion	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Secured				
Repayable on Demand				
Working Capital loans				
- Overdraft (Indian Rupee Loan) ₹	424.50	319.37	0.00	0.00
- Foreign Currency Loan (PCFC) ₹	1066.57	969.91	0.00	0.00
Total in Rs.	1510.57	1289.28	0.00	0.00

#Note: Working Capital facilities in Indian Currency and foreign currency from Karmaveer Bank Ltd. are primarily secured by hypothecation of stocks, Advances paid to Suppliers, Book Debts/Export Receivables of the Company and collaterally secured by the Factory Land & Building situated at 80th KM Stone and 70th KM Stone, Delhi-Rohda Road, VSI Kharawa and VSI Gandhra Distt. Rohda, Haryana and personal guarantee by the directors/promoters/shareholders Mr. Deepak Arora, Mr. Ravindra Mohan Juneja, Mr. Suchar Arora, Mr. Gagan Deep Singh Baring, Mr. Anurag Arora and Mrs. Kanta Devi.

#Note: The outstanding balance is repayable on demand and carries interest @ 10.30%

#Note: The outstanding balance is repayable on demand and carries interest @ LIBOR+200 BPS

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the Year ended 31st March, 2021

(Rs. in Lacs)

Note : 15 (b) Other Financial Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Lease Liabilities	11.73	24.89
Total in ₹	11.73	24.89

Note : 16 Provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Defined Benefit Obligations (Gratuity & Compensated Absence)*	25.70	39.98
Total in ₹	25.70	39.98

*Refer Note No. 27.1(i)(i) and (ii)

Note : 17 Deferred Tax Liability (Net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Liability	115.91	157.44
Total in ₹	115.91	157.44

Note : 17.1

Particulars	01st April 2019	Recognised in Other Comprehensive Income (OCI)	Recognised of Statement of Profit & Loss	31st March 2020
Deferred tax liability arising on account of : Timing difference between depreciation/amortisation as per financials and depreciation as per tax Software Expenditure Gain / (Loss) on Foreign Exchange Fluctuation	259.07 1.26 4.44	0.00 0.00 0.00	-64.90 0.15 0.16	194.17 1.42 4.28
Deferred Tax Liability (A)	264.77	0.00	-64.90	199.87
Less: Deferred tax asset arising on account of : Provision for employee benefits Lease liabilities (Impact of Transition to Ind AS 116)	- 12.88 0.20	- 13.59 0.00	0.00 12.83 0.33	0.00 42.30 0.31
Deferred Tax Asset (B)	12.88	13.59	12.17	42.62
Net (DTA)/DTL	251.89	-13.59	-78.07	157.44

Particulars	01st April 2020	Recognised in Other Comprehensive Income (OCI)	Recognised of Statement of Profit & Loss	31st March 2021
Deferred tax liability arising on account of : Timing difference between depreciation/amortisation as per financials and depreciation as per tax Software Expenditure Gain / (Loss) on Foreign Exchange Fluctuation	194.17 1.42 4.28	0.00 0.00 0.00	-30.52 -0.04 0.00	164.65 1.38 4.28
Deferred Tax Liability (A)	199.87	0.00	-30.56	164.31
Less: Deferred tax asset arising on account of : Provision for employee benefits Lease liabilities (Impact of Transition to Ind AS 116)	0.00 42.30 0.31	- 3.57 0.00	0.00 -0.05 0.46	0.00 47.81 0.79
Deferred Tax Asset (B)	42.62	3.57	0.40	48.45
Net (DTA)/DTL	157.44	-3.57	-35.97	115.91

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the Year ended 31st March, 2021

(Rs. in Lacs)

Note : 18 Trade Payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of Micro enterprises and Small Enterprises*	85.47	72.96
Total outstanding dues of Creditors other than Micro enterprises and Small Enterprises	1865.81	1662.41
Total in ₹	1951.27	1735.36

(a) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 for the year ended 31st March, 2021 is given below:

Particulars	As at 31st March, 2021	As at 31st March, 2020
the principal amount and the interest due thereon (remaining unpaid to any supplier at the end of each accounting year) (1) Principal Amount		
Principal Amount	85.47	72.96
Interest Amount		
the amount of interest paid by the company in terms of section 28 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount 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 the Micro, Small and Medium Enterprises Development Act, 2006		
the amount of interest accrued and remaining unpaid at the end of each accounting year		
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of availing of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006		

(b) This information has been compiled in respect of the parties to the extent they could be identified as Micro and Small Enterprises on the basis of the information available with the management as at 31st March, 2021.

Note : 19 Other Financial Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
*Unclaimed Dividend	17.41	14.96
Security Creditors for Capital Goods	2.36	0.00
Lease Liabilities	13.15	11.41
Total in ₹	32.92	26.37

*These figures do not include the amount due & outstanding, to be credited to Investors Education & Protection Fund

Note : 20 Other Current Liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
Statutory Dues	19.20	21.41
Salary, Wages, Bonus & Allowances	167.42	176.47
Other Payables	0.00	0.04
Customer Advances	0.81	18.53
Total in ₹	187.44	216.45

Note : 21 Provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Provision for employees benefits		
Provision for Defined Benefit Obligations (Gratuity & Compensated Absences)*	85.80	58.44
(b) Provisions - Others		
- Others	61.09	76.54
Total in ₹	146.89	134.98

*Refer Note No. 27.1(b)(i) and (ii)

Note : 22 Current Tax Liabilities (Net)

Particulars	As at 31st March, 2021	As at 31st March, 2020
- Provision for Income Tax	0.00	0.00
Total in ₹	0.00	0.00

Mohindra Fasteners Limited
Notes to Financial Statement for the Year ended 31st March, 2021

(Rs. in Lacs)

Note : 22 Revenue from Operations

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
a) Sale of Products		
Finished Product *	57,183.61	5,718.57
	57,183.61	5,718.57
b) Other Operating Revenue		
Steel & Scrap Sale *	146.70	123.81
Duty Drawback & Other Export Incentives	271.32	395.31
	418.02	519.12
Total in ₹	10,601.63	10,147.79

Particular	Year ended 31st March, 2021	Year ended 31st March, 2020
(a) Details of Product sold		
High Tensile Fasteners *	17,192.40	9,718.57
(b) Earning in foreign exchange		
Export of goods (FOB) *	7290.87	6403.40

Note : 24 Other Income

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest on		
Fixed Deposits	147.31	99.63
Other	7.08	10.29
Dividend Income on Long Term Investments	6.41	6.04
Exchange Rate Difference (Net)	45.45	121.75
Other Non Operating Income	36.89	38.24
Total in ₹	233.04	265.95

Note : 25 Cost of Material Consumed

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Inventory at the Beginning of the Year		
Raw Materials	506.85	543.30
	1827.86	1649.73
	4334.71	4193.03
Inventory at the End of the Year		
	589.40	504.89
Total in ₹	3745.31	3688.14

Material Consumed Comprises:

Wear Rods	2792.08	3683.34
-----------	---------	---------

Note : 26 Change in Inventories of Finished Goods, Work in Progress & Stock in Trade

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Inventory at the Beginning of the Year		
Work In progress	203.35	289.34
Finished Goods	718.09	632.20
	1011.34	912.74
Inventory at the End of the Year		
Work In progress	278.65	193.25
Finished Goods	527.25	718.09
	805.90	911.34
Change in Inventory	203.42	(98.60)

Note : 27 Employee Benefit Expense

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries, Wages, Bonus & Allowances		
	1853.44	1944.07
Contribution to Provident Fund & Other Funds	70.34	68.49
Staff Welfare Expenses	37.58	39.98
Total in ₹	1961.36	2052.54

Note: 27.1

A Employees benefit expenses including managerial remuneration Rs.81.86 lacs(R.F.A. 73.50 lacs). The Manager's Remuneration has been paid in accordance with the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, of the Companies Act, 2013. Also refer Note 27.2 (2) for details about Employee Benefits.

Mohindra Fasteners Limited
Notes to Financial Statement for the Year ended 31st March, 2021

Notes 27.1 (ii) Employee benefit obligations

Particulars	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
Gratuity	37.46	(25.71)	20.21	20.12
Compensated Absences	48.15	(26.09)	36.23	19.86
Total	85.61	(51.80)	56.44	39.98

27.1 (iii) Defined benefit plans - Gratuity

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The provision liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to a maximum period of 5 years of service as per provisions of Payment of Gratuity Act, 1972 as amended.

Policy for recognizing actuarial gains and losses:

Actuarial gains and losses of defined benefit plan arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognized in other comprehensive income. Risks associated with the plan provisions are actuarial risks. These risks are investment risk, mortality risk and salary risk.

Investment risk

Plan assets comprise funds managed by the investor i.e. Life Insurance Corporation of India (LIC).

Mortality risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. A change in mortality rate will have a bearing on the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated with the assumption of salary increases rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(ii) Amount recognized in the statement of profit and loss is as under:

Description	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	25.46	20.68
Interest cost	2.73	10.97
Expense recognized in the Income Statement as Employee Benefit Expense	26.19	31.65
Actuarial loss/(gain) recognized in Other Comprehensive Income (OCI)	22.35	61.93
Amount recognized in total Comprehensive Income	48.54	93.58

(iii) Changes in the present value of obligation:

Description	Year ended 31 March 2021	Year ended 31 March 2020
Present value of defined benefit obligation as at the beginning of the year	234.99	149.11
Current service cost	25.46	20.68
Interest cost	15.89	50.68
Past service cost	-	-
Benefits paid	(36.27)	(7.17)
Actuarial loss	22.34	62.29
Present value of defined benefit obligation as at the end of the year	278.58	234.99

(iv) Movement in the plan assets recognized in the balance sheet is as under:

Description	Year ended 31 March 2021	Year ended 31 March 2020
Fair value of plan assets at the beginning of the year	194.66	163.49
Actual Return (net)	13.52	11.42
Contributions	28.31	26.97
Benefits paid	(18.27)	(7.17)
Actuarial gain/(loss)	-	-
Fair value of plan assets at the end of the year	215.22	194.66

(v) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Description	As at 31 March 2021	As at 31 March 2020
Present value of funded obligation as at the end of the year	278.58	234.99
Fair value of plan assets as at the end of the period funded status	215.22	194.66
Unfunded/funded net liability/(Asset) recognized in balance sheet	63.36	40.33

(v)	Breakup of actuarial (gain)/loss	As at	
		31 March 2021	31 March 2020
	Description		
	Actuarial (gain)/loss from change in demographic assumption		
	Actuarial (gain)/loss from change in financial assumption		
	Actuarial (gain)/loss from experience adjustment	22.51	62.29
	Total actuarial (gain)/loss	22.51	62.29

(vi)	Amount recognised in other comprehensive income (remeasurements)	As at	
		31 March 2021	31 March 2020
	Description		
	Actuarial (gain)/losses arising from experience adjustments	22.51	62.29
	Actuarial gain / (loss) for the year on Asset	(1.56)	(1.36)
	Components of defined benefit costs recognised in other comprehensive income	22.15	61.93

(vii)	Actuarial assumptions	As at	
		31 March 2021	31 March 2020
	Description		
	Discount rate	4.07%	4.31%
	Future salary increase	4.50%	4.00%
	Retirement age	50 / 55 years	50 / 55 years

Notes:

1. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities.
2. The estimates of future salary increases considered takes into account the inflation, seniority, promotion, HR Policy and other relevant factors.
3. Plan assets comprise funds managed by the insurer i.e. Life Insurance Corporation of India (LIC).
4. The best estimated expense for the next year is INR 31.50 lacs.

(viii)	The major categories of plan assets as a percentage of total plan assets are as follows:	As at	
		31 March 2021	31 March 2020
	The Company's liability on account of gratuity is ascertained by actuarial value and plan assets of the Company are managed by Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. The difference between the liability ascertained on account of gratuity by Life Insurance Corporation of India and actuarial value is provided for in the financial statements of the Company.		

(ix)	Sensitivity analysis for gratuity liability	As at	
		31 March 2021	31 March 2020
	Description		
	Funds Managed by LIC	100%	100%

(x)	Impact of change in discount rate	As at	
		31 March 2021	31 March 2020
	Description		
	Impact of change in discount rate		
	Present value of obligation at the end of the year		
	- Impact due to increase of 0.50 %	(3.40)	
	- Impact due to decrease of 0.50 %	14.14	
	Impact of change in salary increase		
	Present value of obligation at the end of the year		
	- Impact due to increase of 0.50 %	12.46	
	- Impact due to decrease of 0.50 %	(11.76)	

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities to rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(xi)	Maturity profile of defined benefit obligation	As at	
		31 March 2021	31 March 2020
	Description		
	Within next 12 months	37.66	
	Between 1-5 years	37.66	
	Beyond 5 years	195.27	

(xii)	Weighted average duration of defined benefit obligation is 15.22 years as at 31 March 2021 (Previous Year 15.41 Years)	As at	
		31 March 2021	31 March 2020

27.09/2000 Compensation of Directors

B. to 1.2.10

Compensation of Directors (being administered by the Directors' Compensation Committee) is a defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year.

i) Amounts recognized in the statement of profit and loss is as under:

Description	As at 31 March 2021	As at 31 March 2020
Current service cost	14.48	13.06
Interest cost	3.03	30.26
Actuarial loss/(gain) recognized during the year	12.77	55.78
Amount recognized in the statement of profit and loss	30.28	67.96

ii) Change in the present value of obligation:

Description	Year ended 31 March 2021	Year ended 31 March 2020
Present value of defined benefit obligation as at the beginning of the year	145.61	77.34
Current service cost	14.48	13.06
Interest cost	9.84	8.22
Past service cost	-	-
Benefits paid	(7.37)	(4.25)
Actuarial loss	13.35	34.56
Present value of defined benefit obligation as at the end of the year	175.91	145.61

iii) Movement in the plan assets recognized in the balance sheet is as under:

Description	Year ended 31 March 2021	Year ended 31 March 2020
Fair value of plan assets at the beginning of the year	87.52	81.17
Actual Return (net)	6.49	4.08
Contributions	67.28	6.04
Benefits paid	(7.37)	(4.27)
Actuarial gain/(loss)	-	-
Fair value of plan assets at the end of the year	153.85	87.52

iv) Reconciliation of present value of defined benefit obligation and the fair value of assets:

Description	As at 31 March 2021	As at 31 March 2020
Present value of funded obligation as at the end of the year	175.91	145.61
Fair value of plan assets as at the end of the period funded status	153.85	87.52
Unfunded/funded net liability/(Asset) recognized in balance sheet	22.96	58.09

v) Breakup of actuarial (gain)/loss

Description	As at 31 March 2021	As at 31 March 2020
Actuarial (gain)/loss from change in demographic assumption	-	-
Actuarial (gain)/loss from change in financial assumption	(1.05)	-
Actuarial (gain)/loss from experience adjustments	13.35	54.35
Total actuarial (gain)/loss	12.30	54.35

vi) Actuarial assumptions

Description	As at 31 March 2021	As at 31 March 2020
Discount rate	6.00%	6.50%
Future Salary Increase	6.00%	6.00%
Retirement age	60 / 75 years	60 / 75 years

1) The discount rate is generally based upon the market yield available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities.

2) The estimate of future salary increases considered takes into account the inflation, seniority, performance, HR Policy and other relevant factors.

3) The best estimated expense for the next year is INR 17.56 lacs.

vii) Sensitivity analysis for Compensated Absences

Description	As at 31 March 2021
Impact of change in discount rate	
Present value of obligation at the end of the year	
- Impact due to increase of 0.50 %	(5.32)
- Impact due to decrease of 0.50 %	9.82
Impact of change in salary increase	
Present value of obligation at the end of the year	
- Impact due to increase of 0.50 %	9.83
- Impact due to decrease of 0.50 %	(5.40)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these is not calculated. Sensitivities as per increase of pensionable payment, rate of increase of pension before retirement & life expectancy are not applicable.

viii) Maturity profile of defined benefit obligation

Description	As at 31 March 2021
Within next 12 months	48.15
Between 1-5 years	17.51
Beyond 5 years	110.25

(ix) Weighted average duration of defined benefit obligation is 15.22 years as at 31 March 2021 (Previous Year 15.41 Years)

27.1.(b)(iii) Defined Contribution Plan

The Company makes contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees.

The provident fund is operated by the regional provident fund Commissioner and the Company is required to contribute

a specific percentage of payroll cost to the retirement schemes to fund the benefits.

The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations.

The expense recognized during the year towards defined contribution plan is INR 44.36 lacs (31 March 2020) - INR 46.79 lacs.

Mohindra Fasteners Limited
Notes to Financial Statement for the year ended 31st March, 2021

(Rs. in Lacs)

Note : 28 Finance Cost

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest Expenses on Borrowings	37.25	32.96
Interest on Lease Liabilities	2.98	5.13
Other Borrowing Costs	33.13	13.43
Total in ₹	64.37	51.46

Note : 29 Depreciation & Amortisation Expense

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation on Property, Plant & Equipment tangible assets (Fixed Assets)	152.79	134.02
Depreciation on Right-of-use Assets	13.21	13.65
Amortisation on intangible assets	3.28	3.40
Total in ₹	169.28	151.07

Note : 30 Other Expenses

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of Stores & Spare Parts	1098.33	1066.52
Power & Fuel Consumed	615.35	737.34
Factory Building Maintenance	55.62	8.21
Repair & Maintenance to Plant & Machinery	105.01	90.00
Insurance Expenses	19.58	19.55
Water Taxes & Charges	19.29	18.09
Job Work Expenses	592.07	453.00
Packing Material Consumed	244.45	232.76
Freight Outward	398.61	252.50
Relates & Discount	31.52	33.01
Payment to Auditors*	4.80	5.51
Corporate Social Responsibility Expenditure (Refer Note 42)	21.19	19.18
Miscellaneous Expenses	147.61	212.73
Total in ₹	3161.98	3165.42

***Note :- Payment to Auditors**

Particular	Year ended 31st March, 2021	Year ended 31st March, 2020
As Auditor:		
- Audit Fees	4.35	4.35
- Certification Fees for other services	0.45	0.50
- Reimbursement of Expenses	0.04	0.66
Total in ₹	4.80	5.51

Note : 31 Tax Expense

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Income tax recognised in Statement of Profit & Loss		
Current Tax	378.43	350.47
Deferred Tax	(135.96)	(178.07)
Total income tax expenses recognised in the current year	242.47	172.39

Mohindra Fasteners Limited
Notes to Financial Statement for the Year ended 31st March, 2021

(Rs. in Lacs)

The income tax expenses for the year can be categorized as the following as follows:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit before tax	1380.53	1306.17
Applicable Tax rate*	25.168%	25.168%
Computed Tax Expense	347.45	329.32
Tax effect of:		
Difference in book depreciation & amortisation and depreciation & amortisation as per		
Income Tax Act, 1961	28.35	31.52
Charity, donation and CSR expenses	5.62	5.37
Deduction under chapter VI A	-2.78	-2.45
Others	0.05	0.21
Current Tax Provision (A)	378.43	363.47
Deferred tax expense reported in the statement of profit and loss	-75.93	-78.59
Deferred Tax Provision (B)	-75.93	-78.59
Tax expense recognised in statement of profit and loss (A+B)	302.50	284.88
Effective Tax rate	24.80%	22.82%

* Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, which is effective from April 1, 2019, domestic companies have the option to apply a Special Income tax rate i.e. 15.168% with effect from April 1, 2020 subject to certain conditions specified there in. The Company has exercised the above option and accordingly, it has recognised provision for income tax and re-measured its deferred tax liability for the year ended March 31, 2021 based on the lower annual effective income tax rate.

Note : 22 Other Comprehensive Income (OCI)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Items that will not be reclassified to profit or loss		
Re-measurement gains/losses on defined benefit	(72.15)	(61.93)
Income Tax effect on above	5.57	15.94
Net (loss)/gain on equity instrument/derivatives	4.12	(7.43)
Income Tax effect on above	0.00	0.00
Total in ₹	(12.46)	(53.42)

Note : 23 Earnings Per Equity Share

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Number of equity share	10	10
Profit attributable to equity shareholders (A)	1038.06	936.77
Weighted average number of equity shares outstanding during the year (B)	5356800	5356800
Basic earnings per equity share (A/B)	19.38	17.49
Dividend effect on profit		
Profit attributable to equity shareholders for computing (C)=(A)-(D)	1038.06	936.77
Dividend effect on weighted average number of equity shares outstanding during the year (E)		
Weighted average number of equity shares for computing Divided EPS (F)=(B)-(E)	5356800	5356800
Divided earnings per equity share (D/F)	19.38	17.49

MOHINDRA FASTENERS LIMITED

Notes to Financial Statement for the year ended 31st March, 2021

Note : 34 **Contingent Liabilities and Commitments (to the extent not provided for):**

- a) The Company received Show Cause Notice (SCN) dated 05th June, 2016 from the Ministry of Corporate Affairs, for the violation of Sections 211(3A) and 211(3C) with regard to Accounting Standards 1,2,9,12,18 & 26 and Section 217(2AA) of the Companies Act, 1956. The company filed detailed replies to the SCN vide dated 20th June, 2016 and also filed the compounding applications under section 621A of the companies Act, 1956 vide dated 26th July, 2016 and further correspondences made in 10th November, 2016. The adjudication thereof is pending from Honorable ROC and hence the possible consequences arising out of the same on the company are not presently ascertainable.

Note : 35 **Related party disclosure as per Ind AS 24**

- a) **Parties where control exists:** NIL
- b) **Other parties with whom the company has entered into transactions during the year:-**

i) **List of Key Management Personnel**

Mr. Deepak Arneja	-	Managing Director & CEO
Mr. Ravinder Mohan Juneja	-	Managing Director
Mr. Gagandeep Singh Narang	-	Non Executive director
Mr. Vinod Kumar	-	Non Executive director & Independent Director
Mr. Ved Prakash Chaudhary	-	Non Executive director & Independent Director
Mrs. Shamoli Thakur	-	Non Executive director & Independent Director
Mr. Sunil Mishra	-	Chief Financial Officer
Ms. Nidhi Pathak	-	Company Secretary & Compliance Officer

ii) **Close Family Members of Key Management Personnel who are under the Employment of the Company:**

Mr. Dhbeeraj Juneja	-	Son of Mr. Ravinder Mohan Juneja
Mr. Sudhir Arneja	-	Brother of Mr. Deepak Arneja

Details of Related Party Transactions during the year ended 31st March, 2021:

(Amount in Laacs)

Nature of Transaction	Key Management Personnel &/ Close family member of KMP	Total (Amount in Rs.)
Remuneration	162.45 (152.25)	162.45 (152.25)
Dividend Paid	*93.14 (50.81)	*93.14 (50.81)

Sitting Fees	1.20 (0.80)	1.20 (0.80)
Balance Outstanding as at the end of the year:		
Remuneration Payable	14.36 (12.88)	14.36 (12.88)

Note:- The Figures shown above in () are belongs to previous Year

Disclosure in respect of Related Party Transactions during the year:

(Amount in Laes)			
Particulars	Relationship	2020-21	2019-20
a) Remuneration:			
<i>Short Term Employee Benefits:-</i>			
1. Deepak Arneja	Key Management Personnel	43.68	37.64
2. Ravinder Mohan Juneja	Key Management Personnel	40.18	35.96
3. Sudhir Arneja	Close Family Member of Key Management Personnel	23.59	22.24
4. Dheeraj Juneja	Close Family Member of Key Management Personnel	22.93	23.63
5. Sunil Mishra	Chief Financial Officer	24.54	25.25
6. Nidhi Pathak	Company Secretary	7.53	7.53
b) Sitting Fees:			
1. Gagandeep Singh Narang	Key Management Personnel	0.30	0.10
2. Vinod Kumar	Key Management Personnel	0.40	0.30
3. Ved Prakash Chaudhary	Key Management Personnel	0.40	0.30
4. Shamoli Thakur	Key Management Personnel	0.10	0.10

c) Dividend Paid:			
1. Deepak Arneja	Key Management Personnel	31.40	17.13
2. Ravinder Mohan Juneja	Key Management Personnel	27.79	15.16
3. Gagandeep Singh Narang	Key Management Personnel	03.59	1.96
4. Vinod Kumar	Key Management Personnel	0.11	0.06
5. Sunil Mishra	Key Management Personnel	0.03	0.02
6. Dheeraj Juneja	Close Family Member of Key Management Personnel	8.64	4.71
7. Sudhir Arneja	Close Family Member of Key Management Personnel	21.58	11.77

Terms and conditions of transactions with related parties:

- Director's remuneration for the year 2020-2021 is as per limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013.

- All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis.

- *This amount of dividend is the sum of final dividend related to FY 2019-20 & paid during the FY 2020-21 and an interim dividend related to FY 2020-21 & paid during the FY 2020-21.

Note: 36 Disclosure in respect of Derivative Instruments:-

(Amount in Lacs)

- a) No Derivates Instruments (Forward Exchange Contract) outstanding as at 31st March, 2021.
- b) Foreign currency exposures that are not hedged by derivative instruments as at 31st March, 2021:-

Particulars	EURO	USD	GBP
Import Trade Payables	0.10 (0.00)	2.27 (0.00)	0.00 (0.00)
Export Trade Receivables	11.85 (5.23)	5.39 (1.70)	0.50 (1.12)
Working Capital Loan (PCFC) (Including Interest)	9.55 (7.90)	2.33 (3.40)	0.87 (0.98)

Note : 37 Value of imported and indigenous Raw Material, Store and Spare parts and packing material consumed and percentage of each to the total consumption as Certified by the management:-

(Amount in Laes)

Item	2020-21		2019-20	
Raw Material	Value	% age	Value	% age
Imported	104.36	2.78	198.36	5.39
Indigenous	3643.72	97.22	3484.98	94.61
	<u>3748.08</u>	<u>100.00</u>	<u>3683.34</u>	<u>100.00</u>

Stores, Spare parts and Packing Material

Imported	72.87	05.52	107.18	08.30
Indigenous	1257.94	94.48	1184.10	91.70
	<u>1330.82</u>	<u>100.00</u>	<u>1291.28</u>	<u>100.00</u>

Note : 38

C.I.F. Value of Imports

(Amount in Laes)

	2020-21	2019-20
-Plant & Machinery	---	24.61
-Raw Material	149.39	163.51
-Consumables, Stores & Spares	31.57	14.16
-Packing Material	19.70	32.10
-Tool & Dies	23.02	41.84

Note : 39

Expenditure in Foreign Currency

(Amount in Laes)

	2020-21	2019-20
-Travelling Expenses	---	14.74
-Business Promotion & Advertisement	---	0.70
-Bank Charges	3.88	4.99
-Interest on PCFC	20.70	28.54
-Commission	49.92	26.94

Note : 40

Earning in Foreign Currency

(Amount in Laes)

	2020-21	2019-20
Exports at FOB Value	7290.07	6403.46

Note : 41 Leases (Operating Lease)

The Company has taken one of its factory premises on lease at Rohtak. The Lease Agreement is valid till 31st December, 2022. The Company has adopted Ind AS 116 on "Leases" with effect from April 1, 2019 using modified retrospective approach along with a transition option to recognise Right of use (ROU) asset at an amount equal to

the lease liability. Accordingly, there is no impact of Ind AS 116 adoption to the retained earnings as at April 1, 2019 or the results reported for the year ended March 31, 2019. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

The details of the right-of-use asset, Lease Liability and Depreciation on right-of-use-asset & Interest on Lease Liabilities are as follows:

(Amount in Lacs)

Particulars	Addition for the year ended March 31, 2021 (Right- of- use asset and Lease Liabilities) (refer Note 5(b) and Note 15 and Note 19)	Depreciation on right-of-use asset during the year 2020-21 (Refer Note 5 (b))	Interest on Lease Liabilities shown as Finance cost during year ended March 31, 2021 (refer Note 28)	Lease Rent shown as other expenses during year ended March 31, 2021
Land & Building	46.63	13.15	3.99	17.14

Note : 42 Expenditure on Corporate Social Responsibility (CSR)

(Amount in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Gross amount required to be spent (i.e. 2% of average net profit u/s 198 of the Companies Act, 2013 of last three preceding years)	22.13	19.35
b) Amount spent on:		
i) Construction/ acquisition of any asset	00	00
ii) On purpose other than i) above		
a. animal welfare and birds welfare	22.13	19.50

Note: 43 Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies

The Company's principal financial liabilities are, other than derivatives, comprise borrowings, trade and other payables and financial guarantee contracts. The main purpose of the financial liabilities is to finance the Company's operations and to provide guarantees to support its operations.

The Company's principal financial assets include short terms arrangements, trade and other receivables, cash and short-term bank deposits that derive directly from its operations.

The business activities of the Company expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The financial risk management for the Company is driven by the Company's senior management subject to necessary supervision. The Company's risk management strategies focus on the unpredictability of the financial environment and seek to mitigate its potential adverse effects on the financial performance of the Company.

The Company's all operating divisions identify the risks as perceived by them and take immediate steps to minimize the impact and at the same time submit a report to the next higher level of reporting.

The Senior Management reviews each of these risks, which are summarised below.

a) Market risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk, credit, liquidity and certain other price risks, which result from both its operating and investing activities.

b) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including, foreign exchange transactions and other financial instruments.

The Company enters into long term contracts with its regular customers thereby eliminating uncertainties also mitigates the risk exposure on high risk customers and avoids any such contracts with them. Further, one of the customers* of the Company forms more than 10% of the Company's total revenues as the Company makes a continuous effort in expanding its customer base. Outstanding customer receivables are regularly monitored and reviewed by the senior management periodically. At 31st March, 2021, the top 10 customers accounted for approximately 61% of all the receivables outstanding. At 31st March, the Company has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired. The amounts at 31st March analyzed by the length of time past due, are:

	(Amount in Lacs)	
	As at 31st March, 2021	As at 31st March, 2020
More than 180 days	121.72	48.96
Not More than 180 days	2252.49	1234.26
Total (Refer Note, 6(b) & 10)	2374.21	1383.22

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligations with floating interest rates as the company has zero long term debt obligations.

d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's borrowings in foreign currency. (Refer Note No. 36 to Ind AS Financial Statement).

No Forward contracts were entered into by the company either during the year or previous years since the company has very minimum exposure to foreign currency risk.

e) Equity price risk

The Company's investments are in listed equity securities. Equity risk is the risk involved in the changing prices of stock investments in the share market. All the investments in the equity portfolio are reviewed and approved by the Board of Directors.

At the reporting date, the exposure to listed equity securities at fair value was Rs. 9.24 Lacs (Rs. 5.12 Lacs as at 31st March, 2020).

f) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. Investments of surplus funds are made by way of fixed deposits with scheduled banks within the limits assigned by the Senior Management.

g) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Company closely monitors its liquidity position and deploys a robust cash management system.

The company does not have any long term debt outstanding as on 31.03.2021. The Company assessed the concentration of risk with respect to refinancing its short term debt and concluded it to be low. The Board of Directors periodically reviews the Company's business requirements vis-a-vis the source of funding.

The table below summarizes the maturity analysis of the Company's Trade Payable, Lease Liabilities on account of transition to Ind AS 116 and financial liabilities except short term borrowing repayable on demand:

Year ended 31 st March, 2021	(Amount in Lacs)	
	Less than one year	More than one year
Interest-bearing borrowing except short term borrowings	Nil	Nil
Other financial liabilities	24.77	Nil
Lease Liabilities	13.15	11.73
Trade Payables	1950.56	0.71

Year ended 31 st March, 2020	(Amount in Lacs)	
	Less than One year	More than one year
Interest-bearing borrowing except short term borrowings	Nil	Nil
Other financial liabilities	14.96	Nil
Lease Liabilities	11.41	24.89
Trade Payables	1723.45	9.92

h) Other risk – Impact of COVID-19

Due to outbreak of Coronavirus (COVID-19) which had been declared as a pandemic by the World Health Organisation and subsequent lock down ordered by the Central and State Governments(s) in India, the manufacturing activities of the Company remained suspended from March 23, 2020 onwards. The Company in compliance with the necessary instructions guidelines, resumed its manufacturing operations from April 27, 2020 in a phased manner, while ensuring health and safety of all the stakeholders.

This situation resulted in temporary disturbance in the economic activities through interruption in manufacturing process, disruption in supply chain, etc. for the Company during the year ended 31st March, 2021. This lockdown has impacted the sales performance of the Company during the first quarter of this year and also resulted in the financial burden for the Company as implementation of Company's green field project (construction of new Plant) came to a halt, although there is

no impact seen on capital & financial resources of the company because the Company has no long term debt and the utilization of working capital is well within the bank limits. Despite all this situation, our Company has earned a higher net profit for the year ended March, 31, 2021 as compared to previous year ended March 31, 2020.

Further the recent second wave of COVID-19 has resulted in partial lockdown/restriction in various states. However, the Company is closely monitoring the impact of the aforementioned pandemic and believes that there will not be any adverse impact on the long term operations and performance of the Company.

However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature, duration and the extent covering almost the whole world. Overall, the balance period of the financial year, of 2021-2022, is likely to be difficult but we do hope the business situation should normalize from the 3rd and 4th Quarter of this year.

As per our report of even date

For B.L. Khandelwal & Co.
Chartered Accountants

FRN: 000998N

BAJRANG
LAL
KHANDELW
AL

Digitally signed
by BAJRANG LAL
KHANDELWAL
Date: 2021.06.26
16:42:45 +05'30'

CA B.L. Khandelwal
(Partner)
Membership No. F-12331

Place: New Delhi
Date: 26/06/2021

For & on behalf of the Board of Directors

Deepak Arunja
(Managing Director & CEO)
DIN:- 00006112

Ravinder Mohan Jangra
(Managing Director)
DIN:- 00006496

Sunil Mishra
(Chief Financial Officer)

Nidhi Pathak
(Company Secretary)



**B.L. KHANDELWAL & CO.
CHARTERED ACCOUNTANTS**

1 Doctor's Lane, Gole Market, New Delhi

Ph: 2374-2151/4372

(M): 98103-54277

E-mail: blkhandelwal@yahoo.com

INDEPENDENT AUDITOR'S REPORT

To The Members of,
MOHINDRA FASTENERS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of MOHINDRA FASTENERS LIMITED, ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the 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 financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the State of affairs of the Company as at March 31, 2021, the Profit and total comprehensive income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for opinion

We conducted our audit of the 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 Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules made there under, 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter -Impact of Outbreak of Corona Virus (Covid-19)

We draw attention to Note 43(h) of the IND AS Financial statements, which explains the uncertainties and the management's assessment of the financial impact related to Covid-19 pandemic situation, for which a definitive assessment of the impact in subsequent period is highly dependent on future economic developments and circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition See Note 23 to the financial statements:

S.NO.	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
1.	<p>Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms</p> <p>Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax etc. Accumulated experience is used to estimate the provision for discounts and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.</p> <p>There is a risk of revenue being overstated due to fraud, including through manipulation of rebates and discounts, resulting from pressure the management may feel to achieve performance targets at the reporting period</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of the revenue recognition accounting policies, including those relating to rebates and discounts by comparing with applicable accounting standards. • We tested the design, implementation and operating effectiveness of management's general IT controls and key application controls over the Company's IT systems which govern revenue recognition, including access controls, controls over program changes, interfaces between different systems and key manual internal controls over revenue recognition to assess the completeness of the revenue entries being recorded in the general ledger accounting system. • We perform substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents, which included goods; goods dispatch notes and shipping documents. • We inspected, on a sample basis, key customer contracts

	end.	<p>to identify terms and conditions relating to goods acceptance and rebates and assessing the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards.</p> <ul style="list-style-type: none"> • We performed cut off testing for samples of revenue transactions recorded before and after the financial year end date by comparing with relevant underlying documentation, which included goods dispatch notes and shipping documents, to assess whether the revenue was recognized in the current period.
--	------	--

Provision for taxation, litigation and other significant provisions

See Note 12(b), 17, 21 and 22 to the financial Statements:

S.NO.	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
2.	<p>Accrual for tax and other contingencies requires the Management to make judgments and estimates in relation to the issues and exposures arising from a range of matters relating to direct tax, indirect tax, claims, general legal proceedings, environmental issues and other eventualities arising in the regular course of business.</p> <p>The key judgment lies in the estimation of provisions where they may differ from the</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • We tested the effectiveness of controls around the recognition of provisions. • We used subject matter experts to assess the value of material provisions in light of the nature of the exposures, applicable regulations and related correspondence with the authorities. • We challenged the assumptions and critical judgments made by management which impacted their estimate of the provisions

	<p>future obligations. By nature, provision is difficult to estimate and includes many variables. Additionally, depending on timing, there is a risk that costs could be provided inappropriately that are not yet committed.</p>	<p>required, considering judgments previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Company's advisors and assessing whether there was an indication of management bias.</p> <ul style="list-style-type: none"> • We discussed the status in respect of significant provisions with the Company's internal tax and legal team. • We performed retrospective review of management judgments relating to accounting estimate included in the financial statement of prior year and compared with the outcome.
--	---	---

Assessment of contingent liabilities relating to litigations and claims

See Note 34 to the financial statements:

S.NO.	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
3.	<p>The Company is periodically scrutiny the matters relating to direct tax and indirect tax further, potential exposures may also arise from general legal proceedings, environmental issues etc. in the normal course of business.</p> <p>Assessment of contingent liabilities disclosure requires Management to make judgments and estimates in relation to the issues and exposures. Whether the liability is inherently</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • We tested the effectiveness of controls around the recording and re-assessment of contingent liabilities. • We used our subject matter experts to assess the value of material contingent liabilities in light of the nature of exposures, applicable regulations and related correspondence with the authorities. • We discussed the status and potential exposures in respect of significant litigation and claims

	<p>uncertain, the amounts involved are potentially significant and the application of accounting standards to determine the amount, if any, to be provided as liability, is inherently subjective.</p>	<p>with the Company's internal legal team including their views on the likely outcome of each litigation and claim and the magnitude of potential exposure and sighted any relevant opinions given by the Company's advisors.</p> <ul style="list-style-type: none"> • We assessed the adequacy of disclosures made. • We discussed the status in respect of significant provisions with the Company's internal tax and legal team. • We performed retrospective review of management judgments relating to accounting estimate included in the financial statement of prior year and compared with the outcome.
--	--	---

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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's Responsibility for the 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 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 accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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 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 adequate 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 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 financial statements, including the disclosures, and whether the 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.

From the matter communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 Act, we give in the **Annexure-"A"**, a statement on the matters specified in the 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 Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of 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 internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure -"B"**.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the act, as amended;
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of 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, as amended, in our opinion and to the best of our information and according to the explanations furnished to us:
-

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer note no.34 to the financial statements.
- ii. the Company has no long-term derivative contracts and there are no other long term contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For B.L. Khandelwal & Co.
Chartered Accountants
Regn. No. 000998N

Place: Delhi

Date: 26.06.2021

UDIN: **21012331AAAADJ9107**

BAJRANG LAL Digitally signed by
KHANDELWA **BAJRANG LAL**
L **KHANDELWAL**
Date: 2021.06.26
17:50:38 +05'30'

CA B.L. Khandelwal
(Partner)
Membership No. F12331

ANNEXURE-"A" TO INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MOHINDRA FASTENERS LIMITED, DELHI FOR THE YEAR ENDED 31ST MARCH, 2021

Annexure "A" referred to in our report under "Report on Other Legal and Regulatory requirements Para 1" of even date on the accounts for the year ended 31st March, 2021

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment
- (b) Property, Plant & Equipment are physically verified by the management in accordance with a regular programme at reasonable intervals. In our opinion the interval is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) Based on the audit procedure performed and according to the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The inventory (excluding stock lying with third parties and Goods in transit) has been physically verified, at reasonable intervals during the year by the management. In respect of inventories lying with third parties, these have substantially been confirmed by them. The discrepancies between the physical stocks and the books were not material and have been properly dealt with in the books of account.
3. According to information and explanation given to us, the company has not granted any loan to a company, firm, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provision of clause 3(iii) (a), (b) and (c) of the order are not applicable to the company.
4. During the year, the company has not granted any loan nor provided any security. The Company has not made any investment during the year. Hence reporting on whether there is compliance with provisions of section 185 and 186 of the

Companies Act, 2013 on these aspects does not arise.

5. According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Companies Act, 2013; any other relevant provisions of the Act and relevant rules framed there under.
6. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government under section 148(1) of the Companies Act, 2013 for maintenance of cost records and are of the opinion that *prima-facie*, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the records provided to us, the Company was generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Duty of Custom, Income Tax, Goods and Service Tax, Cess and other statutory dues to the appropriate authorities.
(b) According to the information and explanations furnished to us, no undisputed amounts payable in respect of Income Tax, Duty of Custom, Goods and Service Tax and Cess were in arrears, as at 31st March 2021 for a period of more than six months from the date they became payable.
8. Based on our verification and according to the information and explanations furnished by the management, the Company has not defaulted in repayment of dues to its banks. The Company did not have any outstanding loans or borrowings from financial institutions or government. The Company has not issued debentures and hence question of reporting delay in repayment of dues does not arise.

9. Based on our verification and according to the information and explanations furnished by the management, the Company has not raised any money by way of initial/further public offer (including debt instruments) during the year. Hence reporting on utilization of such money does not arise. The Company has not availed term loan during the year. Accordingly, para 3(ix) of the Order is not applicable.
10. Based on the audit procedures adopted and information and explanations furnished to us by the management, no fraud on or by the company has been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations furnished to us, managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The Company is not chit fund or nidhi/mutual benefit trust/society. Therefore, the provisions of the clause 3 (xii) of the Order are not applicable to the Company.
13. (a) In our opinion and according to the information and explanations furnished to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013.
(b) The details of transactions during the year have been disclosed in the Financial Statements as required by the applicable accounting standards. Refer note no. 35 to the financial statements.
14. In our opinion and according to the information and explanations furnished to us, during the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures under section 42 of the Companies Act, 2013. Therefore, reporting under clause 3(xiv) shall not be applicable.

15. In our opinion and according to the information and explanations furnished to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
16. The Company is not required to be register under Section 45-IA of the Reserve Bank of India Act, 1934.

For B.L. Khandelwal & Co.
Chartered Accountants
Regn. No. 000998N

Place: Delhi

Date: 26.06.2021

UDIN: 21012331AAAADJ9107

BAJRANG LAL KHANDLWAL
L Digitally signed
by BAJRANG LAL
KHANDLWAL
Date: 2021.06.26
17:51:03 +05'30'

CA B.L. Khandelwal
(Partner)
Membership No. F12331

ANNEXURE-"B" TO INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MOHINDRA FASTENERS LIMITED, DELHI FOR THE YEAR ENDED 31ST MARCH, 2021

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of Our Report to the members of Mohindra Fasteners Limited of even date)

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

We have audited the internal financial controls over financial reporting of MOHINDRA FASTENERS LIMITED, DELHI ("the Company") as of March 31, 2021 in conjunction with our audit of the 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (hereinafter "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.

Auditor's 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 ICAI. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that;

ANNEXURE-"B" TO INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MOHINDRA FASTENERS LIMITED, DELHI FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd.)

- I. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- II. 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
- III. 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to over financial statements 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 with reference to these financial statements and such internal financial controls over financial reporting with reference to these

financial statements 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 B.L. Khandelwal & Co.
Chartered Accountants
Regn. No. 000998N

Digitally signed by

**BAJRANG LAL
KHANDELWAL**

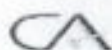
BAJRANG LAL
KHANDELWAL
Date: 2021.06.26
17:51:23 +05'30'

Place: Delhi

Date: 26.06.2021

UDIN: 21012331AAAADJ9107

CA B.L. Khandelwal
(Partner)
Membership No. F12331



**B. L. KHANDLWAL & CO.
CHARTERED ACCOUNTANTS**

1, Doctor's Lane, Gole Market, New Delhi - 110001
Phones: Off.: 23742151, 23744372 Resi.: 27561073
(M): - 98103 - 54277
E-mail.: blkhandelwal@yahoo.com

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results for the Quarter ended 30th June, 2021 of Mahindra Fasteners Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors
M/s Mahindra Fasteners Limited

1. We have reviewed the accompanying statement of unaudited financial results of Mahindra Fasteners Limited ("the Company") for the quarter ended June 30, 2021 (the "statement"), attached herewith being submitted by the company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by The Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether this statement is free of material misstatement. A review is limited primarily to inquiries



of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of matter

We draw attention to note 5 of the statement, which describes the management assessment of uncertainties related to Covid-19 and its consequential impact including the recoverability of its assets and operations of the company. Our conclusion is not modified in respect of this matter

For B. L. Khandelwal & Co.

Chartered Accountants

FRN:000998N

CA Ashish Modi

Partner

M.No.F-501180



Place:-New Delhi

Date:-14-08-2021

UDIN:-21501180 AAAAAP1998

MOHINDRA FASTENERS LIMITED

Regd. Office: 304, Gupta Arcade, Inder Enclave, Delhi-Rohtak Road, Delhi-110087
CIN: L74899DL1995PLC064215, Tel. No.: +91-11-46200400, Fax No.: 011-46200444
Website: www.mohindra.asia, E-mail: csnidhipathak@mohindra.asia

(Rs. in Lacs)

Statement of Unaudited Financial Results for the Quarter Ended 30-06-2021

Sr. No.	PARTICULARS	Quarter ended		Year ended	
		30-06-2021	31-03-2021	30-06-2020	31-03-2021
		Unaudited	Audited	Unaudited	Audited
I	Revenue				
	Revenue from Operations	2383.96	3530.90	1631.14	10601.63
	Other Income	40.40	59.85	64.14	236.91
	Total Revenue	2424.36	3590.75	1695.28	10838.54
II	Expenses				
	a. Cost of materials consumed	1046.01	1298.19	516.12	3748.08
	b. Changes in inventories of finished goods, work-in-progress and stock-in-trade	(178.61)	2.87	60.99	203.43
	c. Employee benefits expense	547.78	718.20	340.18	1961.57
	d. Finance costs	24.08	10.38	16.84	64.37
	e. Depreciation and amortisation expense	74.23	69.70	77.94	319.28
	f. Other expenses	717.76	1057.75	456.41	3161.28
	Total Expenses	2231.25	3157.09	1468.48	9458.01
III	Profit / (Loss) from operations before Exceptional items and tax (I-II)	193.11	433.66	226.80	1380.53
IV	Exceptional items	0.00	0.00	0.00	0.00
V	Profit / (Loss) before Tax (III+IV)	193.11	433.66	226.80	1380.53
VI	Tax expense:				
	(a) Current Tax	55.94	113.49	56.13	378.43
	(b) Deferred Tax	-9.33	-5.72	-11.05	-35.96
VII	Profit / (Loss) for the period (V-VI)	146.50	325.89	181.72	1038.06
VIII	Profit / (Loss) from discontinued operations before tax	0.00	0.00	0.00	0.00
IX	Tax expenses of discontinued operations	0.00	0.00	0.00	0.00
X	Net Profit / (Loss) from discontinued operations after tax (VIII-IX)	0.00	0.00	0.00	0.00
XI	Profit / (Loss) for the period (VII+X)	146.50	325.89	181.72	1038.06
XII	Other Comprehensive Income (OCI)				
	A. Items that will not be reclassified to the statement of Profit or Loss				
	(i) Re-measurement gains/(losses) on defined benefit plans	(5.54)	(47.28)	(12.39)	(22.15)
	(ii) Income tax effect on above	1.39	11.89	3.12	5.57
	(iii) Fair value gains/(losses) on Equity Instruments	0.88	0.41	2.19	4.12
	(iv) Income tax effect on above	0.00	0.00	0.00	0.00
	B(i) Items that will be classified to the statement of Profit or Loss	0.00	0.00	0.00	0.00
	(ii) Tax Benefit/(expenses) on items that will not be reclassified to the statement of Profit or Loss	0.00	0.00	0.00	0.00
XIII	Total Comprehensive Income for the period (XI+XII)	143.23	296.91	174.64	1025.60
XIV	Paid-up equity share capital (Face Value of Rs. 10/- each)	535.68	535.68	535.68	535.68
XV	Other Equity	-	-	-	6885.50
XVI	Earning per share (EPS)* (before & after extraordinary items)				
	(a) Basic (in Rs.) (for continuing operations)	2.73	6.08	3.39	19.38
	(b) Diluted (in Rs.) (for continuing operations)	2.73	6.08	3.39	19.38
	See accompanying note to the financial results				
	*not annualised except for the year ended 31st March, 2021				

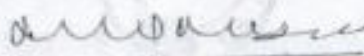
Notes:-

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 14, 2021 and The statutory auditors have carried out Limited Review of these above un-audited financial results, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) and have expressed an unmodified conclusion on these results.
2. The statements has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of SEBI Regulations(Listing Obligations and Disclosure Requirements) as amended, including relevant circulars issued by the SEBI from time to time.
3. The disclosures under Ind AS 108 segment reporting are not required to be made, as the Company is operating only in one business segment viz manufacturing of fasteners.
4. The figures for the previous quarter ended March 31, 2021 are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of previous financial year as on December 31, 2020. Also, the figures upto the end of the previous third quarter were only reviewed and not subjected to audit.
5. The WHO has declared the outbreak of COVID-19, a novel strain of Coronavirus, a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. However, the recent second wave of COVID-19 has resulted in re-imposition of partial lockdowns/restrictions in various states, which had and might continue to have impact on the Company's performance. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial results and believes that the impact of COVID-19 is not material to these financial results, and expect to recover the carrying amount of its assets. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration, and the actual impact on these financial results may differ from that estimated as at the date of approval of these financial results.
6. The figures for the corresponding previous periods have been restated/regrouped wherever necessary, to make them comparable.
7. The above financial results of the company are available on the Company's website at www.mohindra.asia and also on the website of the stock exchange at www.mseil.in.

PLACE:- NEW DELHI

DATE:- 14.08.2021

For & on behalf of the board



Sunil Mishra
(Chief Financial Officer)



Deepak Arneja
(Managing Director & CEO)
DIN: 00006112

ACCOUNTING RATIOS AND CAPITALISATION STATEMENT

ACCOUNTING RATIOS

The following table presents certain accounting and other ratios derived from our Audited Financial Statements included in "Financial Statements"

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Earnings Per Share (EPS) (Basic and Diluted) (₹)	19.38	17.49
Return on Net Worth (excluding revaluation reserve) (in %)	15.68	15.90
Net Asset Value per share (₹)	123.60	109.96
EBITDA (₹ in Lakhs)	1764.18	1618.70
EBITDA (%)	16.64	15.95

These ratios have been computed as under:

1. **Earnings Per Share (RS):** Net Profit after tax for the year attributable to Equity Shareholders divided by weighted average no of equity shares outstanding during the period.
2. **Return on Net Worth (%):** Net Profit after tax for the year attributable to Equity Shareholders divided by Net Worth at the end of the period multiplied by 100.
3. **Net Asset Value Per Share (RS):** Net Assets as at the yearend/ period end divided by total number of equity shares outstanding at the end of the period.
4. **EBITDA (in lakhs):** Profit before tax plus finance costs plus depreciation and amortization expenses less interest income.
5. **EBITDA (%):** [EBITDA / (Revenue-Interest Income)] * 100

CAPITALIZATION STATEMENT

The following tables present the capitalization statement as per the Financial Information as March 31, 2021 and as adjusted for the Issue of our Company:

Amount (₹ in lakhs)		
Particulars	Pre-Issue as at March 31, 2021	As Adjusted Post Issue*
Total Borrowings:		
Current Borrowings (A)	1510.57	-
Non-Current borrowings (including current maturities) (B)	0.00	[•]
Total Borrowings (C) = (A) + (B)	1510.57	[•]
Total Equity:		
Share Capital (D)	535.68	[•]
Reserve & Surplus (E)	6085.50	[•]
Total Equity (F) = (D) + (E):	6621.18	[•]
Ratio: Non-current Borrowings (including current maturity/ Total Equity (G) = (C) / (F)		[•]

*The corresponding post Issue figures shall be updated at the time of filing of Letter of Offer.

STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Company's Equity Shares are listed on the MSEI Limited.

For the purpose of this section:

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

Stock Market Data of the Equity Shares

As mentioned under the Annual Report of our Company for Financial Year 2019-20, it is important to mentioned here that since the shares of the Company were not traded on MSEI during the Financial Year 2019-20, Market price of the MSEI is not available.

The Issue Price of [●] has been decided by the Board in consultation with the Lead Manager.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

There are no outstanding litigations involving our Company and our Subsidiaries including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

- (i) In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as 'material' and
- (ii) our Company is not involved in any litigation involving issues of moral turpitude or criminal liability, material violations of statutory regulations or proceedings relating to economic offences, which are currently pending.

Our Company, from time to time, has been and continues to be involved in legal proceedings, arising in the ordinary course of its business. These legal proceedings are in the nature of civil as well as tax proceedings and we believe that the number of proceedings in which it is involved is not unusual for companies of its size doing business in India.

It is clarified that for the purposes of the above, pre-litigation notices (other than those issued by statutory or regulatory authorities) received by our Company shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company is impleaded as a defendant in litigation proceedings before any judicial forum.

1. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company or the Promoters and nor our Directors are or have been classified as a wilful defaulter by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

2. MATERIAL CHANGES AND COMMITMENTS

We confirm that other than the disclosures made in the financial statements as appearing in this Draft Letter of Offer, there are no material changes and commitments affecting the financial position of the company.

3. MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST AUDITED ACCOUNTS

To our knowledge no circumstances have arisen since the date of the latest audited balance sheet i.e. March 31, 2021, which may materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities.

GOVERNMENT AND OTHER APPROVALS

Our Company has obtained necessary comments, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and license 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.

There are no material pending regulatory and government approvals and no pending renewals of license or approvals in relation to the activities undertaken by our Company, or in relation to the Issue.

APPROVALS FROM GOVERNMENT / REGULATORY AUTHORITY IN RELATION TO OUR BUSINESS:

Material approvals for which applications have been made by our Company but are currently pending grant: NIL

Material approvals which have expired and for which renewal applications have been made by our Company: NIL

Material approvals which have expired and for which renewal applications are yet to be made by our Company: NIL

Material approvals for which no application has been made by our Company: NIL

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board has pursuant to a resolution passed in its meeting held on February 10, 2021 authorized this Issue.

Our Company has applied for 'in-principle' approvals from the MSE for listing of the Rights Equity Shares to be allotted in the Issue pursuant to their letters dated [●].

Our Board in their meeting held on [●] have determined the Issue Price as [●] per Rights Equity Share and the Rights Entitlement as [●] Rights Equity Share(s) for every [●] Equity Share(s) held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager to the Issue.

Prohibition by SEBI or RBI or other governmental authorities

Our Company, the Promoters, the members of the Promoter Group and the Directors of our Company have not been prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies with which our Promoters, our Directors or the persons in control of our Company are or were associated as promoter, directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of the Directors of our Company are associated with the securities market in any manner.

We confirm that none of our Promoters or Directors is a fugitive economic offender.

Eligibility for the Issue

Our Company is eligible to make this Rights Issue in terms of Chapter III of SEBI ICDR Regulations. Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information with the MSEI in compliance with the SEBI Listing Regulations and listing agreements (to the extent applicable) for the last three years immediately preceding the date of filing of this Draft Letter of Offer with SEBI;
2. The reports, statements and information referred to in paragraph (a) above are available on the website of MSEI with nationwide trading terminals or on a common e-filing platform specified by SEBI
3. Our Company has investor grievance-handling mechanism which includes meeting of the Shareholders/Investors Grievance Committee at frequent intervals, appropriate delegation of power by the Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (5) of Part B of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulation 62(1) of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulation 62(1), to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made applications for "in-principle" approval for listing of the Rights Equity Shares to MSEI. We have received such approvals from the MSEI vide their letters dated [●]. We will apply to the MSEI for final approval for the listing and trading of the Rights Equity Shares. Our Company has chosen MSEI Ltd as the Designated Stock Exchange for the Issue.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. THE LEAD MANAGER, INTELICITY CAPITAL ADVISERS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE LEAD MANAGER, INTELICITY CAPITAL ADVISERS PRIVATE LIMITED, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 30, 2021, WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS DRAFT LETTER OF OFFER PERTAINING TO THE ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:
 - a) THIS DRAFT LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - b) ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - c) THE MATERIAL DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELLINFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, TO THE EXTENT APPLICABLE, SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE.
5. WE CERTIFY THAT WRITTEN COMSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT LETTER OF OFFER WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER – NOT APPLICABLE.
6. WE CERTIFY THAT REGULATION 15 OF THE SEBI (ICDR) REGULATIONS, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED

WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER – NOT APPLICABLE.

7. WE UNDERTAKE THAT SUB-REGULATION (3) OF REGULATION 14 AND CLAUSE (C) AND (D) OF SUB-REGULATION (9) OF REGULATION 25 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2018 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE.
8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE CREDITED/TRANSFERED IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40(3) OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. – NOT APPLICABLE. THIS BEING A RIGHTS ISSUE, SECTION 40(3) OF THE COMPANIES ACT, 2013 IS NOT APPLICABLE. FURTHER, TRANSFER OF MONIES RECEIVED PURSUANT TO THE ISSUE SHALL BE RELEASED TO THE COMPANY AFTER FINALISATION OF THE BASIS OF ALLOTMENT IN COMPLIANCE WITH REGULATION 90 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.
9. WE CERTIFY THAT THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE "MAIN OBJECTS" IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN LAST 10 YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. - COMPLIED TO THE EXTENT APPLICABLE
10. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:
 - a) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY. AS ON THE DATE OF THIS DRAFT LETTER OF OFFER, OUR COMPANY HAS NOT ISSUED ANY SR EQUITY SHARES AND THERE ARE NO OUTSTANDING SR EQUITY SHARES; AND
 - b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
11. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED WHILE MAKING THE ISSUE – NOTED FOR COMPLIANCE.
12. WE CONFIRM THAT THE ISSUER IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS), REGULATIONS 2018 – NOT APPLICABLE.
13. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.- COMPLIED WITH
14. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. - COMPLIED WITH

THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY

LIABILITIES UNDER SECTION 34 OR SECTION 38 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCE AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS DRAFT LETTER OF OFFER.

Caution

Disclaimer Statement from our Company and the Lead Manager:

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

We and the Lead Manager shall make all information available to the Equity Shareholders and no selective or additional information would be available for a section of the Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer with SEBI.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in the Draft Letter of Offer. You must not rely on any unauthorized information or representations.

The Draft Letter of Offer is rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in the Draft Letter of Offer is current only as of its date.

Investors who invest in the Issue will be deemed to have represented to us and Lead Manager 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, and are relying on independent advice/evaluation as to their ability and quantum of investment in the Issue.

Disclaimer with respect to jurisdiction

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

Designated Stock Exchange

The Designated Stock Exchange for the purposes of this Issue will be MSEI Limited.

Disclaimer clause of MSEI

As required, a copy of this Draft Letter of Offer has been submitted to MSEI. The Disclaimer Clause as intimated by MSEI to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Filing

The Draft Letter of Offer has been filed with the

SEBI Northern Regional Office (NRO)
Address: NBCC Complex, Office Tower-1,
8th Floor, Plate B, East Kidwai Nagar,
New Delhi - 110023
Tel. Board: +91-011-69012998
E-mail: sebinro@sebi.gov.in

After SEBI gives its observations, the Letter of Offer will be filed with the with the Stock Exchanges as per the provisions of the Companies Act.

Selling Restrictions

Each person who exercises Rights Entitlement and subscribes for Rights Equity Shares or excess Rights Equity Shares, or who purchases Rights Entitlement or Rights Equity Shares shall do so in accordance with the restrictions set out below.

The distribution of the Letter of Offer, the Abridged Letter of Offer and CAFs and the issue of Rights Entitlements and the Rights Equity Shares to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, the Abridged Letter of Offer and CAFs 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 Letter of Offer/ Abridged Letter of Offer and CAF 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 the Letter of Offer, the Abridged Letter of Offer and CAFs or any other material relating to our Company, the Rights 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 for observations.

Accordingly, none of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and CAFs or any offering materials or advertisements in connection with the Rights Equity Shares or Rights Entitlement may be distributed or published in any jurisdiction outside India and the Rights Equity Shares and Rights Entitlement may not be offered or sold, directly or indirectly, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and CAFs will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

The 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.

If the 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 Rights Equity Shares or the Rights Entitlement referred to in the Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and the Rights Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Rights Equity Shares or Rights Entitlement.

Neither the delivery of the 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.

Estimated Issue Related Expenses

The Issue related expenses consist of fees payable to the Lead Manager, 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 Expenses	% of Total Expenses	As a % of Issue size
Fees payable to the intermediaries (including Lead Manager fees, registrar fees and expense s)	[●]	[●]	[●]

Activity	Estimated expense	% of expenses	As a % of Issue size
Advertising, Printing, stationery and distribution expenses	[●]	[●]	[●]
Statutory and other Miscellaneous expenses	[●]	[●]	[●]
Total	[●]	[●]	[●]

Investor Grievances and Redressal System

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the SEBI Listing Regulations.

Our Company has a Stakeholders' Relationship Committee which currently comprises of Mr. Vinod Kumar (Chairman), Mr. Deepak Arneja (Member) and Mr. Ravinder Mohan Juneja (Member). The broad terms of reference include redressal of investors' complaints pertaining to share / debenture transfers, non-receipt of annual reports, interest / dividend payments, issue of duplicate certificates etc. Our Company has been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/OIAE/ 2/ 2011 dated June 3, 2011. Investor grievances are tracked online by our Company.

Status of outstanding investor complaints in relation to our Company

As on the date of this Draft Letter of Offer, there were no outstanding investor complaints in relation to our Company.

Investor Grievances arising out of the Issue

Our Company's investor grievances arising out of the Issue will be handled by Skyline Financial Services Private Limited, the Registrar to the Issue. The Registrar will have a separate team of personnel handling only post- Issue correspondence. The agreement between our Company and the Registrar provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of Allotment Advice/ demat credit/ refund order to enable the Registrar to redress grievances of Investors.

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process or the optional mechanism 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 Rights 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 at page number 121 of this Draft Letter of Offer.

The investor complaints received by our Company are generally disposed of within 30 days from the date of receipt of the complaint. Investors may contact our Compliance Officer or the Registrar in case of any pre-Issue/post-Issue related problems such as non-receipt of Allotment advice/demat credit/refund orders etc. The contact details of the Compliance Officer and Registrar to the Issue are as follows:

Registrar to the Issue



Skyline Financial Services Pvt. Ltd.
D-153/A, 1st Floor, Okhla Industrial Area
Phase-I, New Delhi- 110020
Phone No- 011- 40450193-97
Email: admin@skylinert.com
Website: www.skylinert.com
Contact Person: Mr. Virender Rana SEBI
Registration No.: INR000003241

Compliance Officer

Ms. Nidhi Pathak
Company Secretary
304, Gupta Arcade, Inder Enclave, Rohtak Road,
New Delhi – 110087, INDIA
Ph.: +91 11 46200400
Direct: +91 11 46200406
Fax: +91 11 46200444
Email: csnidhipathak@mohindra.asia

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

This Section applies to all Investors. ASBA Investors should note that the ASBA process involves procedures that may be different from that applicable to other Investors and should carefully read the provisions applicable to such Applications, in the Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, before submitting an Application Form. Our Company and the Lead Manager are not liable for any amendments, modifications or changes in applicable law which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA process or, R-WAP, as the case may be, are advised to make their independent investigations and to ensure that the Application Form and the Rights Entitlement Letter is correctly filled up.

Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 ("SEBI – Rights Issue Circular"), all investors (including Renouncee) shall make an application for a rights issue only through ASBA facility. However, in view of the COVID-19 pandemic and the lockdown measures undertaken by Central and State Governments, relaxation from the strict enforcement of the SEBI – Rights Issue Circular has been provided by SEBI, vide its Circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 06, 2020, Circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and Circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021. As per the said circulars, all eligible shareholders shall be able to apply to this Issue through an optional mechanism (non-cash mode only), in this case being R-WAP in addition to the ASBA facility.

The Rights Equity Shares proposed to be issued in the Issue, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Common Application Form ("CAF"), the Memorandum of Association and Articles of Association of our Company, the provisions of the Companies Act, FEMA, SEBI ICDR Regulations, SEBI Listing Regulations, any other regulations, guidelines, notifications and regulations for issue of capital and for listing of securities issued by SEBI, the RBI, the Government of India and/or other statutory and regulatory authorities and bodies from time to time, and the terms and conditions as stipulated in the Allotment advice or letters of Allotment or demat credit of securities and rules as may be applicable and introduced from time to time.

Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 ("SEBI – Rights Issue Circular"), all investors (including Renouncee) shall make an application for a rights issue only through ASBA facility.

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 all branches of the SCSBs.

Further, in terms of SEBI circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in their own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue by using the ASBA facility shall be responsible for ensuring that they have a separate account in their own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

All rights and obligations of the Eligible Equity Shareholders in relation to Applications pertaining to the Issue shall apply to Renouncee(s) as well.

Allotment of Rights Equity Shares pursuant to this Rights Issue shall be only in dematerialized form. Hence, the physical shareholders shall be required to provide their demat account details to the Company / Registrar to the Issue for credit of their Rights Entitlements not later than two working days prior to the issue closing date.

Important:

Facilities for Application in this Issue:

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April

21, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 (Collectively hereafter referred to as "SEBI Rights Issue Circulars") and SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, the SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (Collectively hereafter referred to as "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. Kindly note that Non-Resident Investors cannot apply in this Issue using the R-WAP facility, however such Investors can apply through R-WAP, if they have provided an Indian address to our Company or to the Registrar or they are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Investors should note that the ASBA process involves procedures that are different from the procedure under the R-WAP process. 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 R-WAP" on page numbers 128 and 142 respectively.

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 frequently asked questions, visit the online/ electronic dedicated investor helpdesk on the website of the Registrar to the Issue at (www.skylinerta.com) or call helpline number (+91 40450193-97). For details, see "Procedure for Application through R-WAP" on page number 142 of this Draft Letter of Offer

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, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, a separate web based application platform, i.e., the R-WAP facility (accessible at www.skylinerta.com), 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. 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.

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 "ISSUE RELATED RISK FACTOR NUMBER [●]. THE R-WAP PAYMENT MECHANISM FACILITY PROPOSED TO BE USED FOR THIS ISSUE EXPOSED TO RISKS, INCLUDING RISKS ASSOCIATED WITH PAYMENT GATEWAYS" ON PAGE NUMBER 25 OF THIS DRAFT LETTER OF OFFER.

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, our Company will 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.

Basis for the Issue:

The Rights Equity Shares are being offered for subscription for cash to those existing Eligible Equity Shareholders ("Investors") of our Company whose names appear, (i) as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in the electronic form, and (ii) on the register of members of our Company in respect of Equity Shares held in the physical form at the close of business hours on the Record Date, i.e. [●], fixed in consultation with the Designated Stock Exchange, but excludes persons not eligible under applicable laws, rules, regulations and guidelines.

PRINCIPAL TERMS AND CONDITIONS OF THE EQUITY SHARES ISSUED UNDER THE ISSUE

Face Value

Each Equity Share shall have the face value of 10/-.

Issue Price

Each Equity Share is being offered at a price of [●] (including a premium of [●] per Rights Equity Share). The Issue Price has been arrived at, by us in consultation with the Lead Manager.

Terms of payment - Payable on application.

Ranking of Equity Shares

The Rights Equity Shares being issued shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Rights Equity Shares shall rank *pari passu*, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

Mode of Payment of Dividend

In the event of declaration of dividend, our Company shall pay dividend to the shareholders of our Company as per the provisions of the Companies Act and the provisions of the Articles of Association.

Rights Entitlement ("REs") (Rights Equity Shares)

As your name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Eligible Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e. [●], you are entitled to the number of Rights Equity Shares in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date. Details of your rights entitlement will be sent to you separately along with the CAF.

Details of respective Eligible Equity Shareholder's entitlement would also be available on the website of the Registrar to the Issue (<http://www.skylinerta.com>) and on the website of our Company at (<http://www.mohindra.asia>) which can be checked by keying the requisite details therein.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer/ Abridged Letter of Offer and CAF only to Eligible Equity Shareholders who have a registered address in India. The distribution of the Letter of Offer/ Abridged Letter of Offer and the issue of securities on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Any person who acquires Rights Entitlements or the Rights Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer/ Abridged Letter of Offer/CAF that such person is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, will not be, in any restricted jurisdiction.

Eligible Equity Shareholders can also download the CAF from the website of the Registrar to the Issue being (<http://www.skylinerta.com>)

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date.

Fractional Entitlements

As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, in case of fractional entitlements of RE's to be credited before issue opening date, the fractional part shall be ignored by rounding down the entitlement.

Process of credit of Rights Entitlements

As per the SEBI – Rights Issue Circular issued in order to streamline the process of the rights issue, SEBI has introduced dematerialized Rights Entitlements and the process with respect to the credit of rights entitlements and renunciation thereof is as set out below:

- (1) A separate temporary ISIN No. [●] has been obtained by our Company for credit of REs in demat account of the Eligible Equity Shareholders.
- (2) Based on the rights entitlement ratio, RE's will be credited to the demat account of eligible equity shareholders in dematerialized form before the opening of the issue.
- (3) The physical shareholders are required to provide their demat account details to the Company / Registrar to the Issue for credit of their RE's not later than two working days prior to the issue closing date being [●], such that the credit of the RE's in their demat account takes place at least one date prior to the issue closing date.
- (4) The REs will be credited in the demat account of the Eligible equity shareholder on [●] through a corporate action by our company and the separate ISIN so obtained for the REs will be kept frozen (for debit) in the depository system till the date of opening of the issue i.e. [●].
- (5) If the demat account of the eligible equity shareholder is frozen or demat account details are not available, including shares held in unclaimed suspense account or in the account of Investor Education and Protection Fund Authority, then REs of such eligible equity shareholders will be credited in a suspense escrow demat account of our Company and an intimation will be sent to such eligible equity shareholder by the Registrar to the Issue.
- (6) Eligible Equity Shareholders can either apply or renounce full or part of their REs. Eligible Equity Shareholders shall apply for the REs through ASBA facility only. For details, see "Terms of the Issue- procedure for application" on page number 121 of this Draft Letter of Offer.
- (7) No withdrawal of application will be permitted by any Eligible Equity Shareholders after the issue closing date.
- (8) REs credited to demat account can be renounced either by sale of REs using stock exchange platform or off-market transfer.
- (9) In case the shareholders wish to renounce their REs by sale of REs through stock exchange, the eligible shareholder can place order only to the extent of REs available in his demat account. Trading in REs in such case shall be closed on [●] being at least four days prior to the closure of rights issue.
- (10) In case the shareholders wish to renounce his REs by the way of off-market transfer, the eligible shareholder can do so only to the extent of REs available in his demat account. The ISIN so obtained shall be suspended for such Off-market transfers of the RE's from the issue closing date.
- (11) REs which are neither renounced nor subscribed by the shareholders, will lapse after the closure of Rights Issue.
- (12) Details of respective Eligible Equity Shareholder's entitlement would also be available on the website of the Registrar to the Issue (www.skylinerta.com) and on the website of our Company at (www.mohindra.asia) which can be checked by keying the requisite details therein.

Trading of the Rights Entitlements ("REs") on the Stock Exchange Platform

Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI – Rights Issue Circular, the Rights Entitlements credited in demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN - [●] subject to

necessary approvals.

The ISIN of REs shall be kept frozen (for debit) in the depository system till the date of the opening of the issue.

The company would submit details of total REs credited to the Stock Exchange and shall obtain requisite trading approval of such RE's from the stock exchange.

The Eligible equity shareholders can place order for sale only to the extent of REs available in the demat account of the eligible equity shareholders. RE's credited to the demat account of the respective eligible equity shareholders duly renounced by them by the way of sale through stock exchange platform, would be settled by transferring the dematerialized RE's through depository system in the same manner as done for all the other types of securities.

Trading in REs shall commence on the date of opening of the issue.

Trading in the REs on the secondary market platform of the stock exchange will happen electronically on T+2 rolling settlement basis. The transactions will be settled on trade-for-trade basis.

Thus, trading in REs in such case shall be closed on [●] being at least four days prior to the closure of rights issue.

Listing and trading of the Rights Equity Shares proposed to be issued under the Issue

As per the SEBI – Rights Issue Circular, the Rights Entitlements with a separate ISIN would be credited to the demat account of the respective Eligible Equity Shareholders before the issue opening date. On the Issue Closing date the depositories will suspend the ISIN of REs for transfer and once the allotment is done post the basis of allotment approved by the designated stock exchange, the separate ISIN no. [●] for REs so obtained will be permanently deactivated from the depository system.

Our Company's existing Equity Shares are listed and traded on MSE (Scrip code: MFL), under the ISIN: INE705H01011 Industry: INDUSTRIAL METAL AND MINING

Post the closure of the issue and approval of the basis of allotment from the designated stock exchange, the Rights Equity Shares to be allotted pursuant to the Issue shall, in terms of the circular (no. CIR/MRD/DP/21/2012) by SEBI dated August 2, 2012, be Allotted under a temporary ISIN which shall be kept blocked till the receipt of final listing and trading approval from the Stock Exchanges. Upon receipt of such listing and trading approval, the Rights Equity Shares shall be debited from such temporary ISIN and credited in the existing ISIN of our Company and be available for trading.

The listing and trading of the Rights Equity Shares shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the schedule. Upon Allotment, the Rights Equity Shares shall be traded on Stock Exchanges in the demat segment only.

Our Company has made applications to the Stock Exchanges seeking 'in-principle' approval for the listing of the Rights Equity Shares pursuant to the Issue in accordance of SEBI Listing Regulations and has received such approval from MSE pursuant to their letter no. [●] dated [●] and from MSE pursuant to their letter no. [●] dated [●]. All steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within seven working days from finalization of the basis of allotment. All steps for the completion of the necessary formalities for listing and commencement of trading of the Rights Equity Shares to be allotted pursuant to the Issue shall be taken in accordance with law. The Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on MSE under the existing ISIN for Equity Shares.

Rights of the Equity Shareholder

Subject to applicable laws, Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote either in person or by proxy;
- Right to receive offers for equity shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability of shares; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the

Intention and extent of participation by our Promoters and Promoter Group in the Issue

Our Promoter(s) and entities forming part of our Promoter Group have, *vide* their letters dated _____ (the "Subscription Letters") undertaken to: (a) 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; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue.

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 (including any unsubscribed portion of the Issue) 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 LODR/ SCRR.

GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares of our Company are tradable only in dematerialized form. The market lot for the Rights Equity Shares in dematerialized mode is one Equity Share.

Minimum Subscription

If our Company does not receive the minimum subscription of 90 % of the Issue (i.e. Net Issue), our Company shall refund the entire subscription amount, not later than fifteen working days from the closure of the Issue. In the event there is a delay in unblocking of ASBA beyond such period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rates prescribed under applicable laws.

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 joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association of our Company. In case of joint holders, the CAF would be required to be signed by all the joint holders to be considered valid

Nomination

Since the allotment of Rights Equity Shares will be made only in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with respective Depository Participant ("DP") of the investor would prevail. Any investor desirous of changing the existing nomination is requested to inform their respective DP.

Arrangements for Disposal of Odd Lots

Our Rights Equity Shares are traded in dematerialized form only and therefore the marketable lot is one Equity Share and hence no arrangements for disposal of odd lots are required.

Notices

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one (1) English national daily newspaper with wide circulation, one (1) Hindi national daily newspaper with wide circulation, also the vernacular language of the region where the Registered Office is situated and/ or will be sent by ordinary post or registered post or speed post to the registered address of the Eligible Equity Shareholders in India as updated with the Depositories/ registered with the Registrar and Transfer Agent from time to time or the Indian address provided by the Eligible Equity Shareholders from time to time.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Regulation 6 of Notification No. FEMA 20(R)/2017- RB dated November 07, 2017, the RBI has given general permission to Indian companies to issue equity shares to non-resident shareholders including additional securities. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be *inter alia*, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. The Abridged Letter of Offer and CAF shall be dispatched to non-resident Eligible Equity Shareholders at their Indian address only. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form. The Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of Rights Equity Shares. 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 shares against which Rights Equity Shares are issued.

CAFs will be made available for eligible NRIs at our Registered Office and with the Registrar to the Issue and would also be available on the website of the Registrar to the Issue.

In case of change of status of holders, that is, from Resident to Non-Resident, a new demat account must be opened.

By virtue of 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. Accordingly, OCBs shall not be eligible to subscribe to the Rights Equity Shares. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated Non-Resident entities.

PROCEDURE FOR APPLICATION

How to Apply

The Application Form will be printed in black ink for all Eligible Equity Shareholders. The Application Form along with the Abridged Letter of Offer will be dispatched through registered post or speed post at least three days before the Issue Opening Date. In case the Application Form are not received by the Investor or is misplaced by the Investor, they can download the same from the website of the Registrar to the issue at www.skylinert.com or can obtain printed Application Form from our Company, the Lead Manager or the Registrar.

The Application Form can be used both by the Shareholder or Renounee.

Please note that in accordance with the provisions of the SEBI – Rights Issue Circular, all Eligible Equity Shareholder(s) (including renounee) shall make an application for a rights issue only through ASBA facility.

Please also note that by virtue of circular no. 14, dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies ("OCBs") have been de-recognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Any Equity Shareholders being an OCB is required to obtain prior approval from RBI for applying in this Issue.

Application Form ("CAF")

The Registrar will dispatch the CAF along with the Abridged Letter of Offer to all Eligible Equity Shareholders as per their Rights Entitlement on the Record Date.

Applicants may choose to accept the offer to participate in the Issue by making plain paper Applications. For more information, see "Terms of the Issue - Application on Plain Paper" on page number 132 of this Draft Letter of Offer.

Application in electronic mode will only be available with such SCSBs who provide such facility. The Eligible Equity shareholders shall submit the CAF to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

Investors are also advised to ensure that the Application Form is correctly filled up, stating therein the bank account number maintained with the SCSB in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Mode of Payment

The Eligible Equity Shareholders applying under the ASBA Process 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 an 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 amount payable on application mentioned in the Application Form until it receives instructions from the Registrar to the Issue. Upon receipt of intimation from the Registrar to the Issue, the SCSBs shall transfer such

amount as per the Registrar to the Issue's instruction from the ASBA Account. This amount will be transferred in terms of SEBI ICDR Regulations, into the separate bank account maintained by our Company for the purpose of the Issue. The balance amount remaining after the finalization of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB.

The Eligible Equity Shareholder 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 only on technical grounds.

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA Process is provided at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above mentioned link.

Options available to the Eligible Equity Shareholders

Details of each Eligible Equity Shareholders RE will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at www.skylinerta.com and on the website of our Company at (<http://www.mohindra.asia>). Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

The Eligible Equity Shareholders will have the option to

- Apply for his Rights Entitlement in full;
- Apply for his Rights Entitlement in part (without renouncing the other part);
- Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares;
- Apply for his Rights Entitlement in part and renounce the other part of the Rights Equity Shares; and
- Renounce his Rights Entitlement in full.

1. Resident Eligible Equity Shareholders

Resident Eligible Equity shareholders can apply through ASBA application by electronic mode or shall submit the CAF to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

In case the CAF is not received by the Eligible Equity shareholder or is misplaced by the him, then the Eligible Equity shareholder may request the printed forms of same from the Company, Registrar to the Issue or the Merchant Banker to the Issue.

Eligible Equity Shareholder(s) can also download the application form which will be available on the website of the Registrar to the issue at www.skylinerta.com.

2. Non-Resident Eligible Equity Shareholders

The CAF to the Eligible Equity shareholder(s) being a Non-Resident Indian shall be sent at their Indian address only as per Company/DP records. Such shareholders can apply through ASBA (facility provided for NRE/NRO accounts) application by electronic mode or shall submit the CAF to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

In case the CAF is not received or is misplaced, then the Non-Resident Eligible Equity shareholder may request the printed forms of same from the Company, Registrar to the Issue or the Lead Manager to the Issue.

Non-Resident Eligible Equity Shareholder(s) can also download the application form which will be available on the website of the Registrar to the issue at www.skylinerta.com.

Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block

their Non-Resident Ordinary ("NRO") accounts for the full amount payable, at the time of the submission of the CAF to the SCSB. Eligible Non-Resident Equity Shareholders applying on non-repatriation basis are advised to use the CAF for residents (white in colour). Eligible Non-Resident Equity Shareholders applying on a repatriation basis are advised to use the CAF meant for Non-Residents (blue in colour).

Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be *inter alia*, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investor has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Entitlement offered without renouncing them in whole or in part in favour of any other person(s). Renouncee(s), applying for all Rights Equity Shares renounced in their favour, can also apply for additional Rights Equity Shares in the Issue. Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under the section titled "*Terms of the Issue*" on page number 121 of this Draft Letter of Offer. If you desire to apply for additional Rights Equity Shares, please indicate your requirement in the place provided for additional Rights Equity Shares in the CAF. Those applying through the electronic mode are required to punch in their requirement for additional Rights Equity Shares.

Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Applications by Overseas Corporate Bodies

By virtue of the 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 OCBs) Regulations, 2003. Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s).

The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and are not and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Renunciation

The Issue includes a right exercisable by you to renounce the Rights Entitlement offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not allot the Rights Equity Shares in favour of the following Renouncees: (i) more than three persons (including joint holders); (ii) partnership firm(s) or their nominee(s); (iii) minors (except applications by minors having valid demat accounts as per the demographic details provided by the Depositors); (iv) HUF (however, you may renounce your Rights Entitlements to the Karta of an HUF acting in his capacity of Karta); or (v) any trust or society (unless the same is registered under the Societies Registration Act, 1860, as amended or the Indian Trust Act, 1882, as amended or any other applicable law relating to societies or trusts and is authorised under its constitution or bye-laws to hold equity shares, as the case may be). Additionally, the Eligible Equity Shareholders may not renounce in favour of "U.S. Persons" (as defined in Regulation S) or persons or entities which would otherwise be prohibited from being offered or subscribing for Rights Equity Shares or Rights Entitlement under applicable securities laws.

The CAF can be used by both the Eligible Equity Shareholder and the Renouncee. The renouncee can make the application in electronic mode only if such facility is available with such SCSBs. In case where the application through electronic mode is not available with the SCSB, the renouncee shall submit the CAF to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

Renouncee(s), applying for all Rights Equity Shares renounced in their favour, can also apply for additional Rights Equity Shares in the Issue.

Renouncee(s) are also advised to ensure that the CAF is correctly filled up, stating therein the bank account number maintained with the SCSB in which an amount equivalent to the amount payable on Application as stated in the CAF will be blocked by the SCSB. The list of SCSBs would be available on the reverse of the CAF.

This right of renunciation is subject to the express condition that our Board of Directors shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof

Procedure for renunciation

The Investors holding Rights Entitlements in dematerialized form in their demat account can renounce the same either in full or in part in favour of any other person or persons in India only either a) by using the secondary market platform of the Stock Exchanges ("**On Market Renunciation**") or b) through off market transfer ("**Off Market Renunciation**") during the Renunciation Period.

a) On Market Renunciation

The Investors holding Rights Entitlements in dematerialized form in their demat account can renounce the same by trading them over 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 are being traded.

In this connection, in terms of provisions of the SEBI ICDR Regulations and the SEBI – Rights Issue Circular, the Rights Entitlements credited in demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN - [●]. The details for trading in Rights Entitlements will be as specified by MSEI 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 Entitlement. The trading in Rights Entitlements on the Stock Exchange shall commence from the Issue Opening Date and shall close on [●] (both days inclusive) or such other extended date as may be determined by our Board from time to time.

The Investors holding the Rights Entitlements in their demat account 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.

Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

The Investors who intend to trade in the Rights Entitlements should consult their respective stock brokers for payment to them of any cost, applicable taxes, charges and expense s (including brokerage) that may be levied by the stock brokers for trading in Rights Entitlements.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expense (including brokerage) levied by the stock brokers, and such costs will be incurred solely by the Investors.

b) Off Market Renunciation

The Investors holding Rights Entitlements in dematerialized form in their demat account can renounce the same through off market transfer through a depository participant in the same manner as the existing Equity Shares of our Company can be transferred.

The Rights Entitlements can be transferred in dematerialized form only. The Rights Entitlements can be renounced through off market transfer from the Issue Opening Date till [●] (both days inclusive) or such other extended date as may be determined by our Board from time to time.

The Investors holding the Rights Entitlements in their demat account 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 he has already given a standing receipt instruction) must issue a receipt instruction slip to his 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 and only during the Renunciation Period. The transfer shall take on the execution date mentioned in the instruction slip and the settlement shall be carried out through depository transfer mechanism in the same manner as done for all other type of securities.

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

REs which are neither renounced nor subscribed by the shareholders, will lapse after the closure of Rights Issue.

Availability of Application Form

The CAF along with the Abridged Letter of Offer shall be dispatched through registered post or speed post at least three days before the Issue Opening Date. The Abridged Letter of Offer and CAF shall be dispatched to non-resident Eligible Equity Shareholders at their Indian address only.

In case the CAFs are not received by the Investor or is misplaced by the Investor, the Investor may request the printed forms of same from the Company, Registrar to the Issue or the Merchant Banker to the Issue.

Eligible Shareholders can also download the application form which will be available on the website of the Registrar to the issue at www.skylinerta.com.

Rights Equity Shares in Dematerialized Form

ELIGIBLE EQUITY SHAREHOLDERS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY SUCH APPLICANT ON THE RECORD DATE.

If the demat account of a shareholder is frozen or demat account details are not available, including shares held in the unclaimed suspense account or in the account of IEPF Authority, the Rights Entitlement shall be credited in the suspense escrow demat account of the Company and an intimation would be sent to such a shareholder by the Company and / or the Registrar to the Issue.

Last date of Application

The last date for submission of the duly filled in the Application Form is [●]. Our Board or any Committee thereof will have the right to extend the said date for such period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date and no withdrawal of Application shall be permitted after the issue closing.

Acceptance of the Issue

You may accept the Issue and apply for the Rights Equity Shares either in full or in part, through ASBA application by electronic mode or shall submit the CAF to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account. The submission of CAF to Designated Branch of the SCSB for ASBA application should be done before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors of our Company in this regard

Application on Plain Paper

An Eligible Equity Shareholder who has neither received the CAF nor is in a position to obtain the CAF either from our Company, Registrar to the Issue, Manager to the Issuer or from the website of the Registrar, can make an Application to subscribe to the Issue on plain paper through ASBA process. Eligible Equity Shareholders shall submit the plain paper application to the Designated Branch of the SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

The envelope should be super scribed "[●]" or "[●]" and should be postmarked in India. The application on plain paper, duly signed by the Eligible Equity Shareholders including joint holders, in the same order and as per the specimen recorded with our Company/Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of our Company, being Mohindra Fasteners Limited;
- Name and address of the Eligible Equity Shareholder including joint holders;
- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for;
- Total amount paid at the rate of [●] per Rights Equity Share;
- Details of ASBA Account such as the account number, name, address and branch of the relevant Banker to the Issue;
- In case of non-resident investors, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the Banker to the Issue with which the account is maintained;
- 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 the Issue;
- Signature of the Applicant (in case of joint holders, to appear in the same sequence and order as they appear in the records of our Company/Depositories); and
- Additionally, all such Applicants shall include the following:

"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and 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") or to or for the account or benefit of a "U.S. Person" as defined in Regulation S under the US Securities Act ("Regulation S"). I/we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/we understand the offering to which this application 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 in the United States. I/we understand that none of the Company, the Registrar, the Lead Manager 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, the Lead Manager or any other person acting on behalf of the Company has reason to believe is, a resident of the United States or a "U.S. Person" (as defined in Regulation S,) or is ineligible to participate in the 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 authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/We understand and agree that the Rights Entitlement 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.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement and/or the Rights Equity Shares is/are, outside the United States, (ii) am/are not a "U.S. Person" as defined in Regulation S, and (iii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Investors are requested to note that CAF or plain paper application with only foreign addresses is liable to be rejected on technical grounds. The CAF or plain paper application should contain the Indian address also if foreign address is mentioned.

General instructions for Eligible Equity Shareholders / Renounees:

1. Please read the instructions printed on the CAF carefully.
2. As per the SEBI – Rights Issue Circular, application for a rights issue shall be made only through ASBA facility.

3. Application should be made on the printed CAF only and should be completed in all respects. The CAF 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 the Letter of Offer are liable to be rejected. The CAF / plain paper application must be filled in English.
4. The CAF / plain paper application in the ASBA Process should be handed over only at a Designated Branch of the SCSB and whose bank account details are provided in the CAF and not to our Company or Registrar or Manager to the Issue. The onus of due completion and submission of such ASBA applications shall solely be that of the Investor.
5. Application in electronic mode will only be available with such SCSBs who provide such facility.
6. All Investors, and in the case of application in joint names, each of the joint Investors, should mention his/her PAN allotted under the Income-Tax Act, 1961, irrespective of the amount of the application. Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, **CAFs / plain paper 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 shall be made into the accounts of such Investors.**
7. All payments will be made by blocking the amount in the bank account maintained with the SCSB.
8. 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 English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Eligible Equity Shareholders must sign the CAF / plain paper application as per the specimen signature recorded with our Company /or Depositories.
9. In case of joint holders, all joint holders must sign the CAF / plain paper application in the same order and as per the specimen signature(s) recorded with our Company. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.
10. 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 to the Issue.
11. Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
12. In case of non – receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under the section titled "Terms of the Issue - Application on Plain Paper under the ASBA process".
13. 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 all branches of the SCSBs.

Do's:

- (a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Rights Entitlement and Rights Equity Shares will be allotted in the dematerialized form only.
- (b) Ensure that the CAFs are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the CAF.
- (c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares as the case may be applied for} X {Issue Price of Rights Equity Shares}) available in the ASBA Account mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.
- (d) Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the ASBA Account, of which details are provided in the CAF and have signed the same.
- (e) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the CAF in physical form.
- (f) Except for CAFs submitted on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the

courts, each Applicant should mention their PAN allotted under the IT Act.

- (g) Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF 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 CAF.
- (h) Ensure that the Demographic Details are updated, true and correct, in all respects.
- (i) Ensure that the account holder in whose bank account the funds are to be blocked has signed authorizing such funds to be blocked.

Don'ts:

- (a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (b) Do not apply on through multiple CAF after you have submitted a CAF to a Designated Branch of the SCSB.
- (c) Do not pay the amount payable on application in cash, by money order, pay order, postal order, cheque or demand drafts.
- (d) Do not send your physical CAFs to the Lead Manager to Issue / Registrar / to a branch of the SCSB which is not a Designated Branch of the SCSB / Bank; instead submit the same to a Designated Branch of the SCSB only.
- (e) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (f) Do not apply if the ASBA account has been used for five Applicants.
- (g) Do not instruct the SCSBs to release the funds blocked under the ASBA Process.
- (h) Do not submit more than one application form for the Rights Entitlement available in the particular demat account.

Grounds for Technical Rejection

Applications are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending CAF to a Lead Manager / the Registrar to the Issue/ the Registrar and Transfer Agent/ to a branch of a SCSB which is not a Designated Branch of the SCSB/ Bank.
- (c) Insufficient funds are available with the SCSB for blocking the amount.
- (d) Funds in the bank account with the SCSB whose details are mentioned in the CAF having been frozen pursuant to regulatory orders.
- (e) Submission of more than one application form for the Rights Entitlement available in the particular demat account.
- (f) ASBA Account holder not signing the CAF or declaration mentioned therein.
- (g) Multiple CAFs, including cases where an Eligible Equity Shareholder submits CAFs along with a plain paper application.
- (h) CAFs that do not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in restricted jurisdictions and is authorized to acquire the rights and the securities in compliance with all applicable laws and regulations.
- (i) Applications by persons not competent to contract under the Indian Contract Act, 1872, as amended, except applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (j) Submitting the GIR number instead of the PAN.

(k) ASBA Bids by SCSBs applying through the ASBA process on own account, other than through an ASBA Account in its own name with any other SCSB.

(l) Failure to mention an Indian address in the Application. Application with foreign address shall be liable to be rejected.

(m) If an Investor is (a) debarred by SEBI and/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 Entitlement.

(n) Failure to provide a copy of the requisite RBI approval in relation to renunciation by non-resident ASBA Applicants.

By signing the CAFs, the Investors applying would be deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating Allotment and unblocking would be mailed at the address of the Investor as per the Demographic Details received from the Depositories. The Registrar to the Issue 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. Investors may note that delivery of letters intimating unblocking of the funds may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Investor in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.

Note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, the Registrar to the Issue or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, (a) names of the Eligible Equity Shareholders (including the order of names of joint holders), (b) the DP ID and (c) the beneficiary account number, then such Applications are liable to be rejected.

Prohibition on payment of incentives

Any person connected with the issue, shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the rights issue, except for fees or commission for services rendered in relation to the issue.

Transfer of Funds

The Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA bank accounts for (i) transfer of requisite funds to the separate bank account maintained by our Company as per the provisions of **Section 40 (3) of the Companies Act, 2013** (ii) rejected / unsuccessful ASBAs.

In case of failure or withdrawal of the Issue, on receipt of appropriate instructions from the Lead Manager through the Registrar to the Issue, the SCSBs shall unblock the bank accounts latest by the next day of receipt of such information.

Underwriting

The Issue is not underwritten.

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:

Issue Opening Date:	[•]
Last date for On Market Renunciation of Rights Entitlement	[•]
Last date for Off Market Renunciation of Rights Entitlement	[•]
Issue Closing Date:	[•]

The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not be kept open in excess of 30 (thirty) days from the Issue Opening Date and no withdrawal application by eligible equity shareholders will be allowed after issue closing date, in accordance with SEBI ICDR Regulations.

Basis of Allotment

For Eligible Equity Shareholders

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the CAF, 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 Entitlement either in full or in part and also to the Renouncee(s), who has/ have applied for the Rights Equity Shares renounced in their favour, in full or in part. Allotment to Non-Resident Renouncees shall be subject to the permissible foreign investment limits applicable to our Company under FEMA.
- (b) For Rights Equity Shares being offered under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Rights Equity Shares or not in multiples of [●] as on Record Date, the fractional entitlement of such Eligible Equity Shareholders shall be ignored. Eligible Equity Shareholders whose fractional entitlements are being ignored would be considered for Allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares(s). Allotment under this head shall be considered if there are any un-subscribed Equity Shares after Allotment under (a) above. If the number of Rights Equity Shares required for Allotment under this head is more than 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.
- (c) Allotment to Eligible Equity Shareholders who having applied for the Rights Equity Shares in full and 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 is an under-subscribed portion after making Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of the Board/Committee of Directors of our Company in consultation with the Designated Stock Exchange, as a part of the Issue and not as a preferential Allotment.
- (d) Allotment to the Renouncees, who having applied for the Rights Equity Shares renounced in their favour have also applied for additional Rights Equity Shares, provided there is an under-subscribed portion after making full Allotment in (a), (b) and (c) above. The Allotment of such additional Rights Equity Shares will be made on a proportionate basis at the sole discretion of our Board or any committee of our Board but in consultation with the Designated Stock Exchange, as a part of the Issue and not as a preferential allotment.
- (e) Allotment to any other person as our Board may in its absolute discretion deem fit provided there is surplus available after making Allotment under (a), (b), (c), and (d) above, and 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 to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Rights Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Our Company shall retain no oversubscription.

Allotment Advices

Our Company will issue and dispatch Allotment advice/demat credit and the company would credit the allotted Rights Equity Shares to the respective beneficiary accounts, within a period of 15 (fifteen) working 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.

Advice regarding credit of the Rights Equity Shares shall be given separately to the Investors. Investors will be sent a letter through ordinary post intimating them about the unblocking of ASBA within 15 (fifteen) working days of the Issue Closing Date.

The letter of allotment would be sent by registered post/ speed post to the sole/ first Investor's registered address in India or the Indian address provided by the Eligible Equity Shareholders from time to time.

In the case of Non-resident Shareholders or Investors who remit their Application Money from funds held in NRE/FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Rights Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

This Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer and the CAF shall be dispatched to only such Non-resident Shareholders who have a registered address in India or have provided an Indian address.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the electronic form is as under:

1. Open a beneficiary account with any DP (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 is 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 Eligible Equity Shareholders who have already opened such beneficiary account(s) need not adhere to this step.**
2. For Eligible Equity Shareholders already holding Equity Shares in dematerialized form as on the Record Date, their Rights Entitlement would be credited to the Demat account of the respective Eligible Equity Shareholder. For those who open accounts later or those who change their accounts and wish to receive their Rights Equity Shares pursuant to this Issue by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF and shall be informed at least one day prior to the closure of the issue. It may be noted that the Allotment of Rights Equity Shares arising out of this Issue would be made in dematerialized form even if the original Equity Shares are not dematerialized. Nonetheless, it should be ensured that the depository account is in the name(s) of the Eligible Equity Shareholders and the names are in the same order as in the records of our Company.
3. Responsibility for correctness of information (including applicant's age and other details) filled in the CAF vis-à-vis such information with the applicant's DP, would rest with the Applicant. Applicants should ensure that the names of the applicants and the order in which they appear in CAF should be the same as registered with the applicant's DP.
4. If incomplete/ incorrect details are given under the heading 'Request for Shares in Electronic Form' in the CAF, if incomplete/ incorrect beneficiary account details are given in the CAF, then such shares will be credited to a demat suspense a/c which shall be opened by our Company as specified in SEBI circular no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009.
5. Allotment advice or letters of Allotment would be sent directly to the applicant by the Registrar to the Issue but the applicant's DP will provide to him the confirmation of the credit of such Rights Equity Shares to the applicant's depository account.
6. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of the Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, such applications by Renouncees are liable to be rejected.
7. Non-transferable allotment advice will be directly sent to the Investors by the Registrar.
8. Dividend or other benefits with respect to the Rights Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Procedure for Application by Mutual Funds

In case of a Mutual Fund, a separate application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the application clearly indicates the scheme concerned for which the application has been made. Applications made by asset management companies or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made.

Procedure for Application by Systematically Important Non-Banking Financial Companies (NBFCs)

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45-IA of the RBI Act, 1934 and (ii) networth 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.

Procedure for Application by FPIs

In terms of the SEBI FPI Regulations, investment in the Equity Shares by a single FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control) shall be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Non-Debt Rules the total holding by each FPI or an investor group, cannot exceed 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate holdings of all the FPIs, including any other direct and indirect foreign investments in our Company, shall not exceed 24 % of the total paid-up Equity Share capital on a fully diluted basis.

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the capital of an Indian company is subject to certain limits, i.e. the individual holding of an FPI (including its investor group) is restricted to below 10% of the capital of the company. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up equity 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 be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e. 100%). The aggregate limit may be decreased below the sectoral cap to a threshold limit of 24% or 49% or 74% as deemed fit by way of a resolution passed by our Board followed by a special resolution passed by the Shareholders of our Company. In terms of the FEMA Non-Debt Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Procedure for Applications by AIFs, FVCIs and VCFs

The VCF Regulations and the FVCI Regulations prescribe, amongst other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the AIF Regulations prescribe, amongst other things, the investment restrictions on AIFs.

As per the VCF Regulations and 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 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 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 AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Investment by NRIs

Investments by NRIs are governed by FEMA Non-Debt Rules. Applications will not be accepted from NRIs in restricted jurisdictions.

NRIs may please note that only such Applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The NRIs who intend to make payment through NRO accounts shall use the Application Form meant for resident Indians and shall not use the Application Forms meant for reserved category.

Impersonation

As a matter of abundant caution, attention of the investors is specifically drawn to the provisions of sub-section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a Bank to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*
- (d) shall be liable for action under section 447."*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least 1.00 million or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves

- (i) an amount which is less than 1.00 million or 1.00% 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 ₹ 2.00 million or with both.

Payment by Stock invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the stock invest scheme has been withdrawn with immediate effect. Hence, payment through stock invest would not be accepted in this Issue.

Utilization of Issue Proceeds

Our Board of Directors declares that:

- (a) All monies received out of the Issue shall be transferred to a separate bank account;
- (b) Details of all monies utilized out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- (c) Details of all unutilized monies out of the Issue, 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; and
- (d) Our Company may utilize the funds collected in the Issue only after the Basis of Allotment is finalised.

Undertakings by our Company

Our Company undertakes as follows:

- (a) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- (b) All steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Rights Equity Shares are proposed to be listed will be taken within 7 (seven) Working Days of finalization of Basis of Allotment.
- (c) Details with respect to unblocking of ASBA shall be dispatched to the applicants within 15 (fifteen) days of the Issue Closing Date.
- (d) The letters of Allotment/ Allotment advice to the NRs shall be dispatched within the specified time.
- (e) No further issue of securities affecting equity capital of our Company shall be made till the securities issued/ offered through

this Draft Letter of Offer are listed.

- (f) At any given time, there shall be only one denomination of Equity Shares of our Company. As on the date of this draft letter of offer, our company has not issued any SR equity shares and there are no outstanding SR equity shares.
- (g) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Important

- Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the accompanying CAF is an integral part of the conditions and must be carefully followed; otherwise the Application is liable to be rejected.
- It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in the section titled "Risk Factors".
- All enquiries in connection with this Draft Letter of Offer, the Letter of Offer or accompanying CAF must be addressed to the Registrar to the Issue at the following address:

Skyline Financial Services Pvt. Ltd.
D-153/A, 1st Floor, Okhla Industrial Area
Phase-I, New Delhi- 110020
Phone No- 011- 40450193-97
Email: admin@skylinerta.com
Contact Person: Mr. Virender Rana
SEBI Registration No.: INR000003241
- This Issue will be kept open for a minimum period of 15 (fifteen) days in accordance with the Articles of Association of our Company. However, the Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date.

Restrictions on Foreign Ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Consolidated FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries / departments of the Government of India and the RBI. The Union Cabinet has recently approved phasing out the FIPB, as provided in the press release dated May 24, 2017. Accordingly, pursuant to the office memorandum dated June 5, 2017, issued by the Department of Economic Affairs, Ministry of Finance, approval of foreign investment under the FDI policy has been entrusted to concerned ministries/ departments.

Subsequently, the DIPP issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the "SOP"). The SOP provides a list of the competent authorities for granting approval for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned administrative ministry/department shall act as the competent authority (the "Competent Authority") for the grant of post facto approval of foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP shall identify the Competent Authority.

The GoI 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 between FEMA and such policy pronouncements, FEMA prevails. The Consolidated FDI Policy, issued by the DIPP, consolidates the policy framework in place as on August 27, 2017, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the 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 sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI. As per the existing policy of the Government of India, erstwhile OCBs cannot participate in this Issue.

PROCEDURE FOR APPLICATION THROUGH R-WAP:

In accordance with the SEBI Circulars, a separate web based application platform, i.e., the R-WAP facility (accessible at www.skylinerta.com), 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 and R-WAP facility should be utilized only in the event that Investors are not able to utilize the ASBA facility for making an Application despite their best efforts.

At the R-WAP, resident Investors can access and submit the online Application Form in electronic mode using the R-WAP. Resident Investors, making an Application through R-WAP, shall make online payment and observe the following:

1. Prior to making an Application using the R-WAP facility, 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 relevant bank account is less than the total amount payable on submission of online Application Form, such Application shall be rejected. Please note that R-WAP is a non-cash payment mechanism in accordance with the SEBI Circulars.
2. Resident Investors should visit R-WAP (accessible at www.skylinerta.com) and fill the online Application Form available on R-WAP in electronic mode. Please ensure that you provide correct DP ID, Client ID, PAN and Folio number (for resident Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) along with all other details sought for while submitting the online Application Form.
3. Non-resident Investors are not eligible to apply in this Issue through R-WAP.
4. Investors should ensure that Application process is verified through the e-mail / phone / mobile number or other means as applicable. Post due verification, 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 Equity Shares to be applied for in the Issue. Please note that the Application Money will be determined based on number of Equity Shares applied for.
5. 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 Equity Shares applied for in the Issue.
6. 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.
7. Verification, if any, 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.
8. The Application Money collected through Applications made on the R-WAP will be credited to the Escrow Account "[●]-COLLECTION ACCOUNT" opened by our Company with the Escrow Collection Bank(s), 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.

Set out below is the procedure followed using the R-WAP:

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 frequently asked questions, visit the online/ electronic dedicated investor helpdesk ----- or call helpline number -----.

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. OUR COMPANY, THE REGISTRAR AND THE LEAD MANAGER SHALL NOT BE RESPONSIBLE IF THE APPLICATION IS NOT SUCCESSFULLY SUBMITTED OR REJECTED DURING THE BASIS OF ALLOTMENT ON ACCOUNT OF FAILURE TO BE IN COMPLIANCE WITH THE SAME. FOR RISKS ASSOCIATED WITH THE R-WAP PROCESS, SEE "RISK FACTOR NUMBER 7 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 NUMBER 25 OF THIS DRAFT LETTER OF

OFFER.

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, the optional mechanism devised by the Registrar and make online payment using their internet banking or UPI facility from their own bank account thereat. Further, in case of Net Banking, there is no restriction on amount on R-WAP. However, maximum amount will be as per the limit set by applicant's respective bank. In case of UPI, the payment can be made only up to Rs. 2 lakhs. 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 Exchange, 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 Exchange.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section "Application on Plain Paper under ASBA process" on page number 132 of this Draft Letter of Offer.

Note: Shareholders making an application on a plain paper cannot renounce their rights and shall not utilise the application form for any purpose including renunciation even if it is received subsequently.

SECTION VIII – STATUTORY OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are 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 have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all working days from the date of this Draft Letter of Offer until the Issue Closing Date.

(A) Material Contracts

1. Appointment Agreement dated 16th March, 2021 between our Company and the Lead Manager to the Issue.
2. Registrar Agreement dated 06th August, 2021 between our Company and the Registrar to the Issue.
3. Escrow Agreement dated 06th August, 2021 amongst our Company, the Lead Manager, Registrar to the Issue and the Banker(s) to the Issue.

(B) Material Documents

1. Certified copies of the Memorandum and Articles of Association of our Company.
2. Certificate of incorporation and fresh certificate of incorporation pursuant to change of name of our Company.
3. Resolution of our Board of the Directors dated February 10, 2021 pursuant to section 62 of the Companies Act, 2013 authorizing the Issue.
4. Prospectus dated 12th April, 1996 in respect of the initial public offering of Equity Shares by our Company.
5. Consents of the Directors, Company Secretary and Compliance Officer, Lead Manager, to the Issue, Registrar to the Issue and Bankers to our Company, to include their names in this Draft Letter of Offer to act in their respective capacities.
6. Annual Report of our Company for the last five financial years ended March 31, 2020, 2019, 2018 & 2017, limited review report for six (6) months period ended September 30, 2020 and nine months ended December 31, 2020.
7. Statement of Tax Benefits certificate dated August __, 2021 from M/s B. L. Khandelwal & Co (Practicing Chartered Accountant) New Delhi, the Statutory Auditors of our Company.
8. Tripartite Agreement dated 21st July, 2006 between our Company, National Securities Depository Limited and the Registrar to the Issue.
9. Tripartite Agreement dated 16th August, 2006 between our Company, Central Depository Services (India) Limited and the Registrar to the Issue.
10. Due Diligence Certificate dated [•] addressed to SEBI from the Lead Manager.
11. In-principle listing approvals dated [•] and [•] from MSEI, 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 our interest or if required by the other parties, without reference to the Eligible Equity Shareholders, subject to compliance with applicable law.


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 ALL THE DIRECTORS OF OUR COMPANY


Mr. Deepak Arneja
Chairman Cum Managing Director & CEO


Mr. Ravinder Mohan Juneja
Managing Director

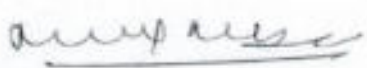

Mr. Gagandeep Singh Narang
Non - Executive Director


Mr. Vinod Kumar
Non - Executive & Independent Director


Mr. Ved Prakash Chaudhary
Non - Executive & Independent Director


Mrs. Shamoli Thakur
Non - Executive & Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY


Mr. Sunil Mishra
Chief Financial Officer

Date: 13/08/2021
Place: New Delhi



ANNEXURE I

**CERTIFICATE CONFIRMING AGREEMENT BETWEEN LEAD MANAGER(S) AND ISSUER
UNDER REGULATION 71 (2) OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE
OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

October 23, 2021

To,

Securities and Exchange Board of India
Corporation Finance Department
Division of Issue and Listing
5th Floor, Bank of Baroda Building, 16
Sansad Marg, New Delhi- 110001

Dear Sir/Ma'am,

**SUBJECT: RIGHTS ISSUE OF 5,35,680 FULLY PAID-UP EQUITY SHARES OF FACE VALUE
OF RS. 10 EACH ("EQUITY SHARES") OF MOHINDRA FASTENERS LIMITED
(THE "COMPANY") ON A RIGHTS BASIS.**

We, Intellicity Capital Advisers Private Limited as the Lead Manager to the Issue (the "**Lead Managers**") state and confirm, before your grace that:

- 1- We have entered in Agreement with the issuer Company "Mohindra Fasteners Limited" under Regulation 71 (2) of Securities and Exchange Board of India (Issue Of Capital and Disclosure Requirements) Regulations, 2018 with respect to the issue (Rights Issue) of 5,35,680 Equity Shares for a cash at a price of Rs. [●] per Equity Share (including a premium of Rs. [●] per Equity Share) aggregating to Rs. 4,82,11,200 to the eligible shareholders of the Company ("Eligible Equity Shareholders") in the ratio of [●] Rights Equity Share(s) for every [●] fully paid-up





INTELLICITY
CAPITAL ADVISERS

equity share(s) held by the Eligible Equity Shareholders as on [●] (the "Record Date") under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended ("SEBI ICDR Regulations")

- 2- The contents of the Agreements are in accordance with the Regulation 71 (2) read with Schedule II of Securities and Exchange Board of India (Issue Of Capital and Disclosure Requirements) Regulations, 2018.

Sincerely,

For Intellicity Capital Advisers Private Limited

Authorised Signatory

Name: Mr. Manoj Kumar Purbey
Designation: Director
Contact Number: +91-9350218303
Email: info@intellicitycapital.com
Place: New Delhi
Date: 23.10.2021

ANNEXURE II
DUE DILIGENCE CERTIFICATE

October 23, 2021

To,

Securities and Exchange Board of India
Corporation Finance Department
Division of Issue and Listing
5th Floor, Bank of Baroda Building, 16
Sansad Marg, New Delhi- 110001

Dear Sir/Ma'am,

Subject: Rights Issue of 5,35,680 fully paid-up equity shares of face value of Rs. 10 each ("Equity Shares") of Mohindra Fasteners Limited (the "Company") on a Rights basis.

The Company is proposing to undertake an issue of 5,35,680 Equity Shares for a cash at a price of Rs. [●] per Equity Share (including a premium of Rs. [●] per Equity Share) aggregating to Rs. 4,82,11,200 on a rights basis to the eligible shareholders of the Company ("Eligible Equity Shareholders") in the ratio of [●] Rights Equity Share(s) for every [●] fully paid-up equity share(s) held by the Eligible Equity Shareholders as on [●] (the "Record Date") under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended ("SEBI ICDR Regulations") read with circulars dated January 22, 2020 ("Rights Issue ASBA Circular"), April 21, 2020 (the "Relaxation Circular 1") and May 6, 2020 (the "Relaxation Circular 2") and together with Right Issue ASBA Circular and Relaxation Circular 1, (the "SEBI Rights Issue Circular") issued by Securities and Exchange Board of India ("SEBI") (such issuance defined as the "Issue").

We, Intellicity Capital Advisers Private Limited as the Lead Manager to the Issue (the "**Lead Managers**") state and confirm that:

1. We have examined various documents including those relating to litigation, including commercial disputes, patent disputes, disputes arising with collaborators and the like, as well as other material while finalizing the offer document of the subject rights issue;
2. On the basis of such examination and discussions with the Company, its directors and other officers, other agencies, and independent verification of the statements concerning the objects of the Issue, price justification, contents of the documents and other papers furnished by the Company, we confirm that:

Intellicity Capital Advisers Private Limited
Plot No.-93 Pocket-2, First Floor, Jasola,
Near DAV Public School, Delhi-110025
Email Id- info@intellicitycapital.com
SEBI Registered Category I Merchant Banker
SEBI Registration No: INM000012777

Telephone: +011-46377700
Investor grievance E-mail: investorsrelation@intellicitycapital.com
Website: www.intellicitycapital.com



- a) the DLOF filed with the Securities and Exchange Board of India ("SEBI") is in conformity with the documents, materials and papers which are material to the Issue;
 - b) all material legal requirements relating to the Issue as specified by the SEBI, the Central Government and any other competent authority in this behalf have been duly complied with; and
 - c) the material disclosures made in the DLOF are true and adequate to enable the investors to make a well informed decisions as to the investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 2013, SEBI ICDR Regulations and other applicable legal requirements.
3. Besides ourselves, all intermediaries named in the DLOF are registered with the SEBI and that till date, such registration is valid – **Complied with**
 4. We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments. – **Not Applicable**
 5. Written consent from the promoters has been obtained for inclusion of their specified securities proposed to form part of the promoters' contribution subject to lock-in and the Equity Shares proposed to form part of the promoters' contribution subject to the lock-in shall not be disposed or sold or transferred by the promoters during the period starting from the date of filing the DLOF with the SEBI until the date of commencement of lock-in period as stated in the DLOF. – **Not Applicable**
 6. All applicable provisions of SEBI ICDR Regulations, which relate to specified securities ineligible for computation of promoters' contribution, have been and shall be duly complied with and appropriate disclosures as to compliance with the said regulation(s) have been made in the DLOF. – **Not Applicable**
 7. All applicable provisions of these regulations which relate to receipt of promoters' contribution prior to opening of the Issue, shall be complied with. Arrangements have been made to ensure that the promoters' contribution shall be received at least one day before the opening of the Issue and the auditors' certificate to this effect shall be duly submitted to the SEBI. We further confirm that arrangements have been made to ensure that the promoters' contribution shall be kept in an escrow account with a scheduled commercial bank and shall be released to the Company along with the proceeds of the Issue. – **Not Applicable**
 8. Necessary arrangements have been made to ensure that the monies received pursuant to the Issue are credited or transferred to in a separate bank account as per the provisions of the sub-section (3) of Section 40 of the Companies Act, 2013 and that such monies shall be released by the said bank only after permission is obtained from the stock exchange (MSEI) and that the agreement entered into between the "bankers to the issue" and the Company specifically contains this condition. – **Noted for compliance to the extent applicable**

9. The existing business as well as any new business of the Company for which the funds are being raised fall within the "main objects" in the object clause of the Memorandum of Association (the "MoA") of the Company and that the activities which have been carried in the last ten years are valid in terms of the object clause of the MoA, - **Complied with to the extent applicable**
10. Following disclosures have been made in the DLOF:
- a) An undertaking from the Company that at any given time, there shall be only one denomination for the Equity Shares of the Company, excluding superior equity shares, where an Issuer has outstanding superior equity shares. - **Complied with (The Company has not issued any superior equity shares); and**
 - b) An undertaking from the Company that it shall comply with all disclosure and accounting norms specified by the SEBI. - **Complied with**
11. We shall comply with the regulations pertaining to advertisements in terms of the SEBI ICDR Regulations. - **Noted for compliance read with the Relaxation Circular 2**
12. If applicable, the Company is eligible to list on the innovator's growth platform in terms of the provisions of Chapter X of SEBI ICDR Regulations. - **Not Applicable**
13. None of the intermediaries named under the DLOF have been debarred from functioning by any regulatory authority. - **Complied with**
14. The Company is eligible to make a Rights Issue in terms of regulations of the SEBI ICDR Regulations 2018. - **Complied with**
15. The abridged letter of offer contains all disclosures as specified in the SEBI ICDR Regulations. - **Noted for compliance**
16. All material disclosures in respect of the Company have been made in the DLOF and we certify that any material development in the Company or relating to the Company up to the commencement of listing and trading of the Equity Shares offered through the Issue shall be informed through public notices/advertisements in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given. - **Complied with and noted for compliance**
17. Agreements have been entered into with the depositories for dematerialization of the specified securities of the Company. - **Complied with**

We enclose a note under **Schedule A** explaining the process of due diligence that has been exercised by us including in relations to the business of the Company, the risks in relation to the business, experience of the Promoter and that



the related party transactions entered into for the periods for which accounts are disclosed in the DLOF have been entered into by the company in accordance with applicable laws.

We enclose a checklist under **Schedule B** confirming regulation-wise compliance with the applicable provisions of SEBI ICDR Regulations and the SEBI Rights Issue Circulars containing details such as the regulation number, its text, the status of compliance, page number of the DLOF where the regulations has been complied with and our comments, if any.

All capitalized terms used herein and not specifically defined shall have the same meanings ascribed to such terms in the DLOF.

Sincerely,

Enclosed: Schedules as above

For Intellicity Capital Advisers Private Limited



Authorised Signatory

Name: Mr. Manoj Kumar Purbey

Designation: Director

Contact Number: +91-9350218303

Email: info@intellicitycapital.com

Place: New Delhi

Date: 23.10.2021

Intellicity Capital Advisers Private Limited
Plot No.-93 Pocket-2, First Floor, Jasola,
Near DAV Public School, Delhi-110025
Email Id- info@intellicitycapital.com
SEBI Registered Category I Merchant Banker
SEBI Registration No: INM000012777

Telephone: +91-46377700
Investor grievance E-mail: investorsrelation@intellicitycapital.com
Website: www.intellicitycapital.com



SCHEDULE A

Note explaining how the process of Due Diligence has been exercised

We, Intellicity Capital Advisers Private Limited as the lead manager to the Issue (the "**Lead Manager**"), have carried a due diligence exercise in relation the current business of Mohindra Fasteners Limited (the "**Company**") which is customary in a transaction of this nature and size of the Company with other professionals and experts engaged in connection with the Issue which is being undertaken in compliance with the requirements of Part B of the Schedule VI of the SEBI ICDR Regulations.

The due diligence process carried out by us commenced with the interactions with the senior management of the Company for gaining an understanding of the business of the Company, key risks involved and financial overview, among other matters for the purpose of the Issue. In this regard, the Company was provided with a due diligence questionnaire and information requisition list prepared in consultation with requisite consultants. In response to the questionnaire and information requisition list, the Company provided us with supporting documents for review and gave us the explanations of our queries.

In the due diligence process, we were assisted by the statutory auditor of the Company, M/s. B.L. Khandelwal & Co. (the "**Auditor**") in conducting the financial due diligence and providing relevant certifications and comfort letter.

All capitalized terms used herein and not specifically defined shall have the same meanings as ascribed to such terms in the DLOF/LOF.

1. Corporate and commercial diligence:

The due diligence process in relation to general business and commercial matters include:

- a) Organising and attending the meetings and discussions to develop an understanding of the business and other matters of the Company. The discussion was attended by the Lead Manager and the senior management of the Company;
- b) Providing the Company with a due diligence questionnaire and information requisition list prepared in consultation with the consultants. The Company provided the relevant documents, as appropriate, for review purpose and provided explanations and supporting documents for review;
- c) Interacting with the management of the Company for the purpose of gaining an understanding about, amongst others, the business of the Company, the risks involved and a general overview and history of the Company. These interactions included (i) conference calls to discuss the drafts of the disclosures proposed to be included in the DLOF/LOF, (ii) due diligence call with the Auditor; and (iii) due diligence calls to receive updated information from the Company before filing the DLOF. These interactions were conducted with an objective to assist the company to prepare disclosures as required



under the SEBI ICDR Regulations with regard to the Issue. We expect these interactions and due diligence calls to continue until closure of the Issue;

- d) Requesting the Company, with the assistance of the consultants, to provide documents based on the due diligence questionnaire and requisition lists, and reviewing these documents, which are required to be disclosed under the SEBI ICDR Regulations and documentation pertaining to material litigations of the Company and its subsidiaries as required under the SEBI ICDR Regulations, Reviewing such documents to comply with the diligence requirements as stipulated under the SEBI ICDR Regulations, as is customary in transactions undertaken as per Part B of Schedule VI of the SEBI ICDR Regulations;
- e) Reviewing relevant resolutions and regulatory filings of the Company in relation to the capital structure.
- f) Obtaining and relying on certificates, confirmations, representations and undertakings from the Company, the Promoter and members of the Promoter and members of the Promoter Group, each of the Directors of the Company (the "Directors") and other documents, in support of certain disclosures made in the DLOF/LOF;
- g) Reviewing certain business related and other agreements entered into by the Company on a sample basis such as (a) shareholders and share subscription agreements, (b) trademark licensing agreements, and (c) term loan agreements;
- h) Obtaining certifications and circle ups from the Auditor on the financial information included in the DLOF/LOF; and

2. Financial information of the Company and Financial Indebtedness

We conducted the due diligence on financial matters, which included conducting due diligence calls with the Auditor, discussions with the finance team, treasury team, company secretary, review of auditors' report, annual reports and other related documents. The Auditor was required to provide the consolidated and standalone audited financial statements for the Fiscal 2021, the last completed accounting year for which the audit has been completed, limited review unaudited consolidated and standalone financial information of the Company for the three months period ended June 30, 2021. We had discussions with the Auditor on the form and manner of the certificates required for such financial information. Further, the Auditor was required to review the financial information relating to the Company in the DLOF/LOF to the Lead Manager confirming the accuracy of certain financial information contained in the DLOF/LOF. Further, the Auditor has provided a statement of special tax benefits relating to the Company and its shareholders in the DLOF/LOF.

3. Promoter, Promoter Group, Directors

For the purpose of making certain disclosures and taking confirmations with respect to the Promoter and members of the Promoter Group, Directors in the DLOF/LOF, we have obtained certifications from the relevant entities/persons.

We have received certifications from the Company, the Directors, the Promoter, members of the Promoter Group, confirming that they have not been debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. Further, the Promoter and Directors have confirmed that they are not associated as promoter or directors of any other company which is debarred from accessing the capital market by the SEBI.

4. Litigation and statutory and/or regulatory related diligence

We have disclosed the outstanding litigations in accordance with the legal requirements under SEBI ICDR Regulations i.e. matters involving (i) issues of moral turpitude or criminal liability on the part of the Company, (ii) material violations of statutory regulations by the Company (iii) economic offences where proceedings have been initiated against the Company, (iv) any pending matters which if they result in an adverse outcome, would materially and adversely affect the operations or financial position of the Company and (v) any other litigation including civil or tax litigation proceedings which involves an amount in excess of the Materiality Threshold (as defined below) or is otherwise material in terms of the "Policy for determination of materiality of information or event" framed in accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Solely for the purpose of the Issue, we have disclosed, if any, outstanding litigations, including civil and tax proceedings involving the Company. Till date, there stands no outstanding or pending litigation against the Company. Further, the due diligence pertaining to covering the outstanding litigations involving the Company, we interacted with the relevant representatives of the Company to understand the status and details if any, pertaining to futuristic chances of any litigation or prosecution against the Company or involving the Company. Given the number of litigation involving the Company in the ordinary course of their respective business stands nil, the same has been included in the DLOF/LOF.

With respect to the business activities undertaken by the Company, we have reviewed the material registrations obtained by the Company. Further, for the purpose of diligence, we have reviewed the licenses and approvals obtained by the Company and wherever applicable fresh and renewal application in respect of such licenses and approvals for their business operations.

5. Objects of the Issue

The Objects of the Issue include (i) to meet the funding needs of expansion plan i.e. Green Field project coming up at IMT Rohtak, Haryana

The Company has obtained a certificate dated 18/08/2021 from the Independent CA, certifying that the utilization of the loads proposed to be repaid are as per the respective agreements, sanction letters and/or offer documents entered into/issued and terms and conditions thereof, in relation to the borrowings, if any, of the Company.



SCHEDULE B

CHECKLIST INDICATING COMPLIANCE WITH CHAPTER III AND PART B OF SCHEDULE VI AND SCHEDULE IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AS AMENDED (THE "SEBI ICDR REGULATIONS") FOR THE RIGHTS ISSUE OF MOHINDRA FASTENERS LIMITED (THE "COMPANY"/"ISSUER").

ISSUE OF 5,35,680 EQUITY SHARES WITH A FACE VALUE OF ₹ 10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) (THE "ISSUE PRICE") FOR AN AGGREGATE AMOUNT OF ₹ 4,82,11,200 CRORES ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [•] RIGHTS EQUITY SHARE(S) FOR EVERY [•] FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [•] (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [•] TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 121 OF THE DRAFT LETTER OF OFFER.

All capitalized terms not defined before would have the same meaning as attributed to them in the Draft Letter of Offer (the "DLOF") filled with MSEI (the "Stock Exchange"), along with the Annexure.

The following chapters and schedules of the SEBI ICDR Regulations do not apply to the Issue.

1. Chapter II - Initial Public Offer on Main Board
2. Chapter IV - Further Public Offer
3. Chapter V - Preferential Issue
4. Chapter VI - Qualified Institutions Placement
5. Chapter VII - Initial Public Offer Of Indian Depository Receipts
6. Chapter VIII - Rights Issue Of Indian Depository Receipts
7. Chapter IX - Initial Public Offer By Small And Medium Enterprises
8. Chapter X - Innovators Growth Platform
9. Chapter XI - Bonus Issue
10. Schedule VI (Part A)- Disclosure in Offer Document
11. Schedule VI (Part C)- Certain Disclosure not mandatory in case of a further public offer
12. Schedule VI (Part D)- Certain Disclosure not mandatory in case of a fast track public issue
13. Schedule VI (Part E)- Disclosures in abridged prospectus
14. Schedule VII- Disclosures in a Placement Document
15. Schedule VIII - Disclosures in Offer Document and Abridged Prospectus and Letter of Offer for Issue of Indian Depository Receipts
16. Schedule X - Formats of Advertisements for a Public Issue
17. Schedule XI - Format of Report to be Submitted by the Monitoring Agency
18. Schedule XIII - Book Building Process
19. Schedule XIV - Illustration Explaining the Procedure of Allotment
20. Schedule XV - Format of Report for Green Shoe Option
21. Schedule XVII (Part A) - Formats of Post-Issue Reports
22. Schedule XVIII - Format Of Underwriting Devolvement Statement
23. Schedule XX - Conditions/ Manner of Providing Exit Opportunity to Dissenting Shareholders

CHAPTER III- RIGHTS ISSUE					
Regulations	Sub-Regulations	Contents	Status of Compliance	Page No.	Comments
		PART I- ELIGIBILITY REQUIREMENTS			
60.		Reference Date			
		Unless otherwise provided in this Chapter, an issuer offering specified securities of aggregate value of fifty crores rupees or more, through a rights issue shall satisfy the conditions of this Chapter at the time of filing the draft letter of offer with the Board and also at the time of filing the final letter of offer with the stock exchanges, as the case may be.	Complied with to the extent applicable		
61		Entities not eligible to make a rights issue			
		An issuer shall not be eligible to make a rights issue of specified securities			
	(a)	if the issuer, any of its promoters, promoter group or directors of the issuer are debarred from accessing the capital market by the Board	Complied with	115	A distinct negative statement has been included in the section titled "Other Regulatory and Statutory Disclosures" of the DLOF.
	(b)	if any of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board	Complied with	115	A distinct negative statement has been included in the section titled "Other Regulatory and Statutory Disclosures" of the DLOF.
	(c)	if any of its promoters or directors is a fugitive economic offender	Complied with	115	A distinct negative statement has been included in the section titled "Other Regulatory and Statutory Disclosures" of the DLOF.
62		General conditions			
	(1)	The Issuer making a rights issue of specified securities shall ensure that			
	(a)	it has made an application to one or more stock exchanges to seek an in-principle approval for listing of its specified securities on such stock exchanges and has chosen one of them as the designated stock exchange, in terms of Schedule XIX.	Complied with		The Company has received "in-principle" approval from MSEI for listing the Rights Equity Shares through their respective letters dated October 22, 2021 .
	(b)	all its existing partly paid-up equity shares have either been fully paid-up or have been forfeited	Complied with	32	A distinct negative statement has been included in the section titled "Capital Structure" of the DLOF.



	(c)	it has made firm arrangements of finance through verifiable means towards seventy-five per cent. of the stated means of finance for the specific project proposed to be funded from issue proceeds, excluding the amount to be raised through the proposed rights issue or through existing identifiable internal accruals	Not applicable		
	(2)	The amount for general corporate purposes, as mentioned in objects of the issue in the draft letter of offer and the letter of offer, shall not exceed twenty-five per cent. of the amount raised by the issuer.	Complied with	37	
	(3)	Where the issuer or any of its promoters or directors is a willful defaulter, the promoters or promoter group of the issuer shall not renounce their rights except to the extent of renunciation within the promoter group.	Not applicable	113	A distinct negative statement has been included in the section titled "Legal and Other Information" of the DLOF.
	(4)	Where the issuer has issued SR equity shares to its promoters or founders, then such a SR shareholder shall not renounce their rights and the SR shares received in a rights issue shall remain under lock-in until conversion into equity shares having voting rights same as that of ordinary equity shares along with existing SR equity shares	Not applicable	117	The Company has not issued any SR Equity Shares and there are No outstanding SR Equity Shares
		PART II: ISSUE OF CONVERTIBLE DEBT INSTRUMENTS AND WARRANTS			
63		Additional requirements for issue of convertible debt instruments			
	(1)	In addition to other requirements laid down in these regulations, an issuer making a rights issue of convertible debt instruments shall also comply with the following conditions:	Not applicable	-	The Issue under consideration is Rights Issue of Equity Shares, Hence, this regulation is not applicable.
	(a)	it has obtained credit rating from at least one credit rating agency	Not applicable	-	
	(b)	it has appointed at least one debenture trustee in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993	Not applicable	-	



	(c)	it shall create a debenture redemption reserve in accordance with the provisions of the Companies Act, 2013 and rules made thereunder	Not applicable	-	
	(d)	if the issuer proposes to create a charge or security on its assets in respect of secured convertible debt instruments, it shall ensure that:	Not applicable	-	
	(i)	such assets are sufficient to discharge the principal amount at all times	Not applicable	-	
	(ii)	such assets are free from any encumbrance	Not applicable	-	
	(iii)	where security is already created on such assets in favour of any existing lender or security trustee or the issue of convertible debt instruments is proposed to be secured by creation of security on a leasehold land, the consent of such lender or security trustee or lessor for a second or <i>pari passu</i> charge has been obtained and submitted to the debenture trustee before the opening of the issue	Not applicable	-	
	(iv)	the security or asset cover shall be arrived at after reduction of the liabilities having a first or prior charge, in case the convertible debt instruments are secured by a second or subsequent charge	Not applicable	-	
	(2)	The Issuer shall redeem the convertible debt instruments in terms of the letter of offer	Not applicable	-	
64		Roll over of non-convertible portion of partly convertible debt instruments			
	(1)	The non-convertible portion of partly convertible debt instruments issued by a listed issuer, the value of which exceeds ten crore rupees, may be rolled over, subject to compliance with the provisions of the Companies Act, 2013 and the following conditions:	Not applicable	-	The Issue under consideration is Rights Issue of Equity Shares, Hence, this regulation is not applicable.
	(a)	Seventy-five per cent. of the holders (in value) of the convertible debt instruments of the issuer have, through a resolution, approved the rollover through postal ballot	Not applicable	-	
	(b)	the issuer has, along with the notice for passing the resolution, sent to all holders of the convertible debt instruments, an auditors' certificate	Not applicable	-	



		on the cash flow of the issuer and with comments on the liquidity position of the issuer			
	(c)	the Issuer has undertaken to redeem the non-convertible portion of the partly convertible debt instruments of all the holders of the convertible debt instruments who have not agreed to the resolution	Not applicable	-	
	(d)	credit rating has been obtained from at least one credit rating agency registered with the Board within a period of one month prior to the due date of redemption and has been communicated to the holders of the convertible debt instruments, before the roll over	Not applicable	-	
	(2)	The creation of fresh security and execution of fresh trust deed shall not be mandatory if the existing trust deed or the security documents provide for continuance of the security till redemption of secured convertible debt instruments:	Not applicable	-	
		Provided that whether the issuer is required to create fresh security and to execute fresh trust deed or not shall be decided by the debenture trustee.	Not applicable	-	
65		Conversion of optionally convertible debt instruments into equity shares			
	(1)	An Issuer shall not convert its optionally convertible debt instruments into equity shares unless the holders of such convertible debt instruments have sent their positive consent to the issuer and non-receipt of reply to any notice sent by the issuer for this purpose shall not be construed as consent for conversion of any convertible debt instruments.	Not applicable	-	The Issue under consideration is Rights Issue of Equity Shares. Hence, this regulation is not applicable.
	(2)	Where the value of the convertible portion of any listed convertible debt instruments issued by an issuer exceeds ten crores and the issuer has not determined the conversion price of such convertible debt instruments at the time of making the issue, the holders of such convertible debt instruments shall be given the option of not converting the convertible portion into equity shares:	Not applicable	-	



		Provided that where the upper limit on the price of such convertible debt instruments and justification thereon is determined and disclosed to the investors at the time of making the issue, it shall not be necessary to give such option to the holders of the convertible debt instruments for converting the convertible portion into equity share capital within the said upper limit			
	(3)	Where an option is to be given to the holders of the convertible debt instruments in terms of sub-regulation (2) and if one or more of such holders do not exercise the option to convert the instruments into equity share capital at a price determined in the general meeting of the shareholders, the issuer shall redeem that part of the instruments within one month from the last date by which option is to be exercised, at a price which shall not be less than its face value. Provided that the provisions of sub-regulation (3) shall not apply if such redemption is in terms of the disclosures made in the offer document.	Not applicable	-	
66		Issue of convertible debt instruments for financing			
		An Issuer shall not issue convertible debt instruments for financing or for providing loans to or for acquiring shares of any person who is part of the promoter group or group companies: Provided that an issuer shall be eligible to issue fully convertible debt instruments for these purposes if the period of conversion of such debt instruments is less than eighteen months from the date of issue of such debt instruments.	Not applicable	-	The Issue under consideration is Rights Issue of Equity Shares, Hence, this regulation is not applicable.
67		Issue of warrants			
		An Issuer shall be eligible to issue warrants subject to the following	Not applicable	-	The Issue under consideration is Rights Issue of Equity Shares, Hence, this regulation is not applicable.
	(a)	the tenure of such warrants shall not exceed eighteen months from their date of allotment in the rights issue	Not applicable	-	
	(b)	a specified security may have one or more warrants attached to it	Not applicable	-	

	(c)	the price or formula for determination of exercise price of the warrants shall be determined upfront and disclosed in the letter of offer and at least twenty-five per cent. of the consideration amount based on the exercise price shall also be received upfront; Provided that in case the exercise price of warrants is based on a formula, twenty-five per cent. consideration amount calculated as per the formula with reference date being the record date shall be received upfront	Not applicable	-	
	(d)	in case the warrant holder does not exercise the option to take equity shares against any of the warrants held by the warrant holder, within three months from the date of payment of consideration, such consideration made in respect of such warrants shall be forfeited by the issuer.	Not applicable	-	
		PART III: RECORD DATE			
68	(1)	The Issuer shall announce a record date for the purpose of determining the shareholders eligible to apply for specified securities in the proposed rights issue for such period as may be specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	Noted for compliance	Cover Page	
	(2)	The Issuer shall not withdraw its rights issue after announcement of the record date. However, if the issuer withdraws the rights issue after announcing the record date, it shall not be eligible to make an application for listing of any of its specified securities on any stock exchange for a period of twelve months from the record date announced under sub-regulation (1):	Noted for compliance	-	
		Provided that the Issuer may seek listing of its equity shares allotted pursuant to conversion or exchange of convertible securities, ESOPs or exercise of warrants issued prior to the announcement of the record date, on the stock exchange where its securities are listed			



		PART IV – APPOINTMENT OF LEAD MANAGERS AND OTHER INTERMEDIARIES			
69	(1)	The issuer shall appoint one or more merchant bankers, which are registered with the Board, as lead manager(s) to the issue	Complied with	Cover page	Intellicity Capital Advisers Private Limited has been appointed as the Lead Manager to the Issue.
	(2)	Where the issue is managed by more than one lead manager, the rights, obligations and responsibilities, relating inter alia to disclosures, allotment, refund and underwriting obligations, if any, of each lead manager shall be predetermined and be disclosed in the draft letter offer and the letter of offer as specified in Schedule I	Complied with to the extent applicable	-	Only one Merchant Banker ("Lead Manager") has been appointed i.e. Intellicity Capital Advisers Private Limited.
	(3)	At least one lead manager to the issue shall not be an associate (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) of the issuer and if any of the lead manager is an associate of the issuer, it shall disclose itself as an associate of the issuer and its role shall be limited to marketing of the issue	Complied with	-	Lead manager is not an associate of the Company
	(4)	The Issuer shall, in consultation with the lead manager(s), appoint other intermediaries which are registered with the Board after the lead manager(s) have independently assessed the capability of other intermediaries to carry out their obligations.	Complied with		
	(5)	The Issuer shall enter into an agreement with the lead manager(s) in the format specified in Schedule II and also enter into agreements with other intermediaries as required under the respective regulations applicable to the intermediary concerned:	Complied with		The Company has entered into an Issue Agreement dated March 16, 2021 with the Lead Manager
		Provided that such agreements may include such other clauses as the issuer and the intermediaries may deem fit without diminishing or limiting in any way the liabilities and obligations of the lead manager(s), other intermediaries and the issuer under the Act, the Companies Act, 2013 or the Companies Act, 1956 (to the extent applicable), the Securities	Complied with to the extent applicable		



		Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder or any statutory modification or statutory enactment thereof.			
		Provided further that in case of ASBA process, the issuer shall take cognizance of the deemed agreement of the issuer with the self-certified syndicate banks.	Noted for compliance		
	(6)	The Issuer shall appoint bankers to an issue, at centres as specified in Schedule XII	Complied with		The Company has appointed ICICI Bank Limited as the Banker to the Issue and has entered into an agreement dated August 06, 2021 in connection thereof.
	(7)	The Issuer shall appoint a registrar to the issue registered with the Board, which has connectivity with all the depositories:	Complied with		The Company has appointed Skyline Financial Services Private Limited as the Registrar to the Issue and has entered into a Registrar agreement dated August 06, 2021 in connection thereof.
		Provided that if the Issuer itself is a registrar, it shall not appoint itself as a registrar to the issue:	Not applicable		
		Provided further that a lead manager shall not act as a registrar to the issue in which it is also handling the post-issue responsibilities.	Not applicable		
		PART V: DISCLOSURES IN AND FILING OF LETTERS OF OFFER			
70		Disclosures in the draft letter of offer and letter of offer			
	(1)	The draft letter of offer and letter of offer shall contain all material disclosures which are true and adequate to enable the applicants to take an informed investment decision	Complied with		
	(2)	Without prejudice to the generality of sub-regulation (1), the draft letter of offer and letter of offer shall contain disclosures as specified in Part B or Part B-1 of Schedule VI , as applicable.	Complied with to the extent applicable		
	(3)	The lead manager(s) shall exercise due diligence and satisfy themselves about all aspects of the issue including the veracity and adequacy of disclosure in the draft letter of offer and the letter of offer.	Complied with		



	(4)	The lead manager(s) shall call upon the issuer, its promoters and its directors to fulfill their obligations as disclosed by them in the draft letter of offer and letter of offer and as required in terms of these Regulations.	Complied with and noted for compliance		
	(5)	The lead manager(s) shall ensure that the information contained in the draft letter of offer and letter of offer and the particulars as per audited financial statements in the letter of offer are not more than six months old from the issue opening date.	Complied with		
	(6)	An issuer shall make disclosures in the draft letter of offer, letter of offer and abridged letter of offer, if the issuer or any of its promoters or directors is a wilful defaulter	Not applicable		A negative statement has been included in section titled – "Other Regulatory and Statutory Disclosure" of the DLOF
	(7)	In the letter of offer and the abridged letter of offer, the issuer shall disclose the process of credit of rights entitlements in the Demat account and renunciation thereof	Noted for compliance		
71		Filing of the draft letter of offer and letter of offer			
	(1)	Prior to making a rights issue, the issuer shall, except in case of a fast track issue, file a draft letter of offer, with the concerned regional office of the Board under the jurisdiction of which the registered office of the issuer company is located, in accordance with Schedule IV , along with fees as specified in Schedule III , with the Board and with the stock exchange(s), through the lead manager(s).	Complied with		
		Provided that the issuer shall, in case of fast track issue, file a letter of offer and pay fees as specified in Schedule III with the Board.	Not applicable		
	(2)	the lead manager(s) shall submit the following to the Board along with the draft letter of offer:			
	(a)	A certificate, confirming that an agreement has been entered into between the issuer and the lead manager(s) and includes content specified in Schedule II ;	Complied with		
	(b)	a due diligence certificate as per Form A of Schedule V ;	Complied with		



	(c)	in case of an issue of convertible debt instruments, a due diligence certificate from the debenture trustee as per Form B of Schedule V	Not applicable		
	(d)	A certificate confirming compliance of the conditions specified in Part F of Schedule VI , if applicable	Complied with		
	(3)	The issuer shall also file the draft letter of offer with the stock exchange(s) and shall submit to such stock exchange(s), the Permanent Account Number, bank account number and passport number of its promoters where they are individuals, and Permanent Account Number, bank account number, company registration number or equivalent and the address of the Registrar of Companies with which the promoter is registered, where the promoter is a body corporate.	Complied with		
	(4)	The Board may specify changes or issue observations, if any, on the draft letter of offer within thirty days from the later of the following dates:	Noted for compliance		
	(a)	the date of receipt of the draft letter of offer, as applicable, under sub-regulation (1)	Noted for compliance		
	(b)	the date of receipt of satisfactory reply from the lead manager(s), where the Board has sought any clarification or additional information from them	Noted for compliance		
	(c)	the date of receipt of clarification or information from any regulator or agency, where the Board has sought any clarification or information from such regulator or agency	Noted for compliance		
	(d)	the date of receipt of a copy of in-principle approval letter issued by the stock exchanges	Complied with		Submitted in principle approval dated 22.10.2021 in submission to SEBI
	(5)	If the Board specifies any changes or issues observations on the draft letter of offer the issuer and lead manager(s) shall carry out such changes in the draft letter of offer and shall submit to the Board an updated draft letter of offer complying with the observations issued by the Board and highlighting all changes made in the draft letter of offer before filing	Noted for compliance		



		the letter of offer with the stock exchanges.			
	(6)	If there are any changes in the draft letter of offer in relation to the matters specified in Schedule XVI , an updated letter of offer or a fresh draft letter of offer, as the case may be, shall be filed with the Board along with fees specified in Schedule III	Noted for compliance		
	(7)	The lead manager shall submit the following documents to the Board after issuance of observations by the Board or after expiry of the period stipulated in sub-regulation (4) of regulation 71 if the Board has not issued observations:	Noted for compliance		
	(a)	a statement certifying that all changes, suggestions and observations made by the Board have been incorporated in the letter of offer	Noted for compliance		
	(b)	a due diligence certificate as per Form C of Schedule V, at the time of submission of the letter of offer with stock exchange(s);	Complied with to the extent applicable		
	(c)	a due diligence certificate as per Form D of Schedule V , in the event the issuer has made a disclosure of any material development by issuing a public notice.	Complied with to the extent applicable		
	(8)	Copy of the letter of offer shall also be filed with the Board and the stock exchanges through the lead manager simultaneously with filing of the letter of offer with the designated stock exchange.	Noted for compliance		
	(9)	The draft letter of offer and letter of offer shall also be furnished to the Board in a soft copy	Noted for compliance		
72		Draft letter of offer and letter of offer to be available to the public			
	(1)	The draft letter of offer filed with the Board shall be made public for comments, if any, for a period of at least twenty one days from the date of filing, by hosting it on the websites of the Board, stock exchanges where specified securities are proposed to be listed and the lead manager(s) associated with the issue	Noted for compliance		
	(2)	The issuer shall, within two days of filing of the draft letter of offer with the Board, make a public	Noted for compliance		



		announcement in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the registered office of the issuer is situated, disclosing to the public the fact of filing of the draft letter of offer with the Board and inviting the public to provide their comments to the Board, the issuer or to the lead manager(s) in respect of the disclosures made in the draft letter of offer			
	(3)	The lead manager(s) shall, after expiry of the period stipulated in sub-regulation (1), file with the Board, details of the comments received by them or the issuer from the public, on the draft offer document, during that period and the consequential changes, if any, that are required to be made in the draft offer document	Noted for compliance in the event said situation arises		
	(4)	The Issuer and the lead manager(s) shall ensure that the letters of offer are hosted on the websites as required under these regulations and its contents are the same as the versions as filed with the Board and the stock exchanges, as applicable.	Noted for compliance		
	(5)	The lead manager(s) and the stock exchanges shall provide copies of the draft letter of offer to the public as and when requested and may charge a reasonable sum for providing a copy of the same.	Noted for compliance		
		PART VI: PRICING			
73	(1)	The Issuer shall decide the issue price, in consultation with the lead manager(s), before determining the record date, which shall be determined in consultation with the designated stock exchange.	Noted for Compliance		
	(2)	The issue price shall not be less than the face value of the specified securities	Complied with		
	(3)	The Issuer shall disclose the issue price in the letter of offer filed with the Board and the stock exchange(s).	Noted for compliance		



		PART VII: ISSUANCE CONDITIONS AND PROCEDURE			
74		Reservations			
	(1)	The issuer shall make a rights issue of equity shares only if it has made reservation of equity shares of the same class in favour of the holders of outstanding compulsorily convertible debt instruments, if any, in proportion to the convertible part thereof	Not applicable		The Company does not have any outstanding compulsorily convertible debt instruments.
	(2)	The equity shares so reserved for the holders of fully or partly compulsorily convertible debt instruments shall be issued to the holder of such convertible debt instruments or warrants at the time of conversion of such convertible debt instruments, on the same terms at which the equity shares offered in the rights issue were issued	Not applicable		The Company does not have any outstanding compulsorily convertible debt instruments.
		Provided that for the purposes of offering such rights entitlements, the issuer company shall not be required to credit rights entitlements	Not applicable		The Company does not have any outstanding compulsorily convertible debt instruments.
	(3)	Subject to other applicable provision of these regulations, the issuer may make reservation for its employees along with rights issue subject to the condition that the value of allotment to any employee shall not exceed two lakhs rupees	Not applicable		The Company does not have any outstanding compulsorily convertible debt instruments.
		Provided that in the event of under-subscription in the employee reservation portion, the unsubscribed portion may be allotted on a proportionate basis, for a value in excess of two lakhs rupees, subject to the total allotment to an employee not exceeding five lakhs rupees	Not applicable		The Company does not have any outstanding compulsorily convertible debt instruments.
75		Abridged letter of offer			
	(1)	The abridged letter of offer shall contain the disclosures as specified by the Board in Part F of Schedule VI and shall not contain any matter extraneous to the contents of the letter of offer.	Noted for compliance		
	(2)	Every application form distributed by the issuer or any other person in relation to the issue shall be accompanied by a copy of the abridged letter of offer.	Noted for compliance		



76		ASBA An applicant to the rights issue shall do so through the ASBA facility, which facility shall be provided by the issuer in the manner specified by the Board: Provided that payment through any other electronic banking mode shall be permitted in respect of an application made for any reserved portion outside the issue period	Noted for compliance to the extent applicable		Pursuant to Relaxation under Circular 2, the Company, along with the Lead Managers and the Registrar to the Issue, has established an optional (non-cash) mechanism to accept application of the resident investors and the requirements. The requirements in relation to the same, provided for under Relaxation Circular 2, have been complied with.
77		Availability of letter of offer and other issue materials			
	(1)	The lead manager(s) shall ensure availability of the letter of offer and other issue material including application forms with stock exchanges, registrar to issue, registrar and share transfer agents, depository participants, stock brokers, underwriters, bankers to the issue, investors' associations and self-certified syndicate banks before the opening of the issue	Noted for compliance to the extent applicable		In terms of Relaxation Circular 2 and General Circular No. 21/2020 dated May 11, 2020 issued by the Ministry of Corporate Affairs, Government of India, failure to adhere to modes of dispatch through registered post or speed post or courier services due to prevailing Covid-19 related conditions shall not be treated as non-compliance in compliance with the provisions of the circular, the Company shall publish the DLOF, LOF, Abridged Letter of Offer and Application Form on its website and the website of the Registrar to the Issue, Stock Exchanges, and the Lead managers. Further the Company along with Lead Manager shall undertake all adequate step to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means as may be feasible such as television channels, radio, internet etc. including in the form of crawlers/tickets
	(2)	The abridged letter of offer, along with application form, shall be dispatched through registered post or speed post or by courier service or by electronic transmission to all the existing shareholders at least three days before the date of opening of the issue.	Noted for compliance to the extent applicable		
	(3)	The letter of offer shall also be provided by the issuer or lead manager(s) to any existing shareholder who makes a request in this regard.	Noted for compliance to the extent applicable		
77A		Credit of rights entitlements and allotment of specified securities			



	(1)	The rights entitlements shall be credited to the demat account of the shareholders before the date of opening of the issue	Noted for compliance to the extent applicable		In compliance with Relaxation Circular 2, for physical shareholders who have not been able to open a Demat account or are unable to communicate their Demat account details, the Company along with the Lead Managers and the Registrar to the Issue, has instituted a mechanism to allow resident Equity Shareholders who hold equity shares in physical form to apply in the Issue. Further the Company will open a separate Demat suspense account to credit the equity shares in respect of such Eligible Equity Shareholders who hold Equity Shares in physical form and have not provided details of their Demat accounts to the Company
	(2)	Allotment of specified securities shall be made in the dematerialized form only	Noted for compliance		
78		Conditions for making applications on plain paper			
	(1)	Shareholders who have not received the application form may make an application in writing on a plain paper, along with the requisite application money	Noted for compliance		
		Provided that SCSBs shall accept such application forms only if all details required for making the application as per these regulations are specified in the plain paper application	Noted for compliance		
	(2)	Shareholders making an application on plain paper shall not be entitled to renounce their rights and shall not utilize the application form for any purpose including renunciation even if it is received subsequently	Noted for compliance		
	(3)	If a shareholder makes an application both in an application form as well as on a plain paper, both applications are liable to be rejected	Noted for compliance		



79		Prohibition on payment of incentives			
		Any person connected with the issue, shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the rights issue, except for fees or commission for services rendered in relation to the issue	Noted for compliance		
80		Security deposit			
	(1)	The Issuer shall, before the opening of the subscription list, deposit with the designated stock exchange, an amount calculated at the rate of one per cent. of the issue size in the manner specified by the Board and/or stock exchange(s).	Noted for compliance		MSEI is the Designated Stock Exchange of the Company.
	(2)	The amount specified in sub-regulation (1) shall be refundable or forfeitable in the manner specified by the Board	Noted for compliance		
81		Underwriting			
	(1)	If the Issuer desires to have the issue underwritten, it shall appoint underwriters in accordance with the Securities and Exchange Board of India (Underwriters) Regulations, 1993. Provided that the issue can be underwritten only to the extent of entitlement of shareholders other than the promoters and promoter group.	Not applicable		
	(2)	In case of every underwritten issue, the lead manager(s) shall undertake minimum underwriting obligations as specified in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992	Not applicable		
82		Monitoring agency			
	(1)	If the issue size exceeds one hundred crore rupees, the issuer shall make arrangements for the use of proceeds of the issue to be monitored by a public financial institution or by a scheduled commercial bank named in the letter of offer as a banker of the issuer:	Not applicable		Issue size is less than one hundred crore rupees
		Provided that nothing contained in this clause shall apply to an issue of	Not applicable		Issue size is less than one hundred crore rupees



		specified securities made by a bank or public financial institution or an insurance company.			
	(2)	The monitoring agency shall submit its report to the issuer in the format specified in Schedule XI on a quarterly basis, till at least ninety five per cent. of the proceeds of the issue actually raised, excluding the proceeds raised for general corporate purposes, have been utilised.	Not applicable		Issue size is less than one hundred crore rupees
	(3)	The board of directors and the management of the issuer shall provide their comments on the findings of the monitoring agency as specified in Schedule XI	Not applicable		Issue size is less than one hundred crore rupees
	(4)	The issuer shall, within forty five days from the end of each quarter, publicly disseminate the report of the monitoring agency by uploading the same on its website as well as submitting the same to the stock exchange(s) on which its equity shares are listed	Not applicable		Issue size is less than one hundred crore rupees
83		Public communications, publicity materials, advertisements and research reports.			
		All public communication, publicity materials, advertisements and research reports shall comply with the provisions of Schedule IX.	Complied with and noted for compliance		
84		Issue-related advertisements			
	(1)	The Issuer shall issue an advertisement in at least one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language daily newspaper with wide circulation, at the place where registered office of the issuer is situated and also give an intimation to the stock exchanges for dissemination on their websites, at least two days before the date of opening of the issue, disclosing the following:	Noted for Compliance		Pursuant to Relaxation Circular 2, the following additional measures will also be taken: <ul style="list-style-type: none"> • Advertisement to contain additional details as regards the manner in which the shareholders who have not been served notice electronically may apply. • Advertisement to be made available on the website of the Company, Registrar to the Issue, Lead manager and Stock Exchanges; and • Company to make use of advertisements in television channels, Radio, Internet etc. to



					disseminate information relation to the application process. Such advertisement can be in the form of crawlers/tickers as well
	(a)	the date of completion of dispatch of abridged letter of offer and the application form	Noted for Compliance		
	(b)	the Centres other than registered office of the issuer where the shareholders or the persons entitled to receive the rights entitlements may obtain duplicate copies of the application form in case they do not receive the application form within a reasonable time after opening of the rights issue	Noted for Compliance		
	(c)	a statement that if the shareholders entitled to receive the rights entitlements have neither received the original application forms nor are in a position to obtain the form; they may make an application through the form available on the website of Registrar, stock exchanges or lead managers or in writing on a plain paper to subscribe to the Rights Issue along with a format specifying therein the necessary particulars such as name, address, ratio of rights issue, issue price, number of equity shares held, ledger folio numbers, depository participant ID, client ID, number of equity shares entitled and applied for, additional shares if any, and the amount to be blocked with SCSB along with the application;	Noted for Compliance		
	(d)	***			
	(e)	a statement to the effect that if the shareholder makes an application using the application form as well as plain paper, both the applications shall be liable to be rejected at the option of the issuer.	Noted for Compliance		
	(2)	During the period the issue is open for subscription, no advertisement shall be released giving an impression that the issue has been fully subscribed or oversubscribed, or indicating investors' response to the issue	Noted for Compliance		



	(3)	An announcement regarding closure of issue shall be made only after the lead manager(s) is satisfied that at least ninety per cent. of the offer through letter of offer has been subscribed and a certificate has been obtained to that effect from the registrar to the issue	Noted for Compliance		
		Provided that such an announcement shall not be made before the date on which the issue is to be closed except for issue closing advertisement made in the format prescribed in these regulations	Noted for Compliance		
85		Opening of the issue			
		Subject to the compliance with the provisions of the Companies Act, 2013, a rights issue may be opened within twelve months from the date of issuance of the observations by the Board under regulation 71.	Noted for Compliance		
		Provided that in case of a fast track issue, the issue shall open within twelve months from the record date.	Not applicable		
86		Minimum subscription			
	(1)	The minimum subscription to be received in the issue shall be at least ninety per cent. Of the offer through the offer document.	Noted for Compliance		
		Provided that minimum subscription criteria shall not be applicable to an issuer if:	Noted for Compliance		
	(a)	the object of the issue involves financing other than financing of capital expenditure for a project; and	Noted for Compliance		
	(b)	the promoters and the promoter group of the issuer undertake to subscribe fully to their portion of rights entitlement and do not renounce their rights except to the extent of renunciation within the promoter group	Noted for Compliance		
	(2)	In the event of non-receipt of minimum subscription referred to in sub-regulation (1), all application monies received shall be refunded to the applicants forthwith, but not later than fifteen days from the closure of the issue	Noted for Compliance		
87		Period of subscription			
		The rights issue shall be kept open for subscription for a minimum period of	Noted for Compliance		



		fifteen days and for a maximum period of thirty days and no withdrawal of application shall be permitted after the issue closing date			
88		Payment options			
		The issuer shall give one of the following payment options to all the shareholders for each type of instrument			
	(a)	part payment on application with balance money to be paid in calls; or	Not Applicable		
	(b)	full payment on application	Noted for Compliance		
		Provided that the part payment, if any, on application shall not be less than twenty five per cent. of the issue price and such issuer shall obtain the necessary regulatory approvals to facilitate the same	Not Applicable		
		Provided further that payment of balance money in calls, outside the issue period, may be through electronic banking modes	Not Applicable		
89		Manner of calls			
		If the issuer proposes to receive subscription monies in calls, it shall ensure that the outstanding subscription money is called within twelve months from the date of allotment in the issue and if any applicant fails to pay the call money within the said twelve months, the equity shares on which there are calls in arrear along with the subscription money already paid on such shares shall be forfeited. Provided further that it shall not be necessary to call the outstanding subscription money within twelve months, if the issuer has appointed a monitoring agency in terms of regulation 82	Not Applicable		
90		Allotment procedure and basis of allotment			
	(1)	The Issuer shall not make any allotment in excess of the specified securities offered through the letter of offer, except as provided in Regulation 74(1) and (2).	Noted for Compliance		
	(2)	Allotment shall be made in the following manner	Noted for Compliance		
	(a)	Full allotment to those eligible shareholders who have applied for	Noted for Compliance		



		their rights entitlement either in full or in part and also to the Renouncee(s), who has/have applied for the specified securities renounced in their favour, in full or in part, as adjusted for fractional entitlement			
	(b)	Allotment to eligible shareholders who having applied for the specified securities in full to the extent of their rights entitlement and have also applied for additional specified securities, shall be made as far as possible on an equitable basis having due regard to the number of specified securities held by them on the record date, provided there is an under-subscribed portion after making allotment in (a) above.	Noted for Compliance		
	(c)	Allotment to the Renouncee(s), who having applied for the specified securities renounced in their favour and also applied for additional specified securities, provided there is an under-subscribed portion after making full allotment specified in (a) and (b) above. The allotment of such additional specified securities may be made on a proportionate basis	Noted for Compliance		
	(3)	The authorised employees of the designated stock exchange along with the lead manager(s) and registrars to the issue shall ensure that the basis of allotment is finalized in a fair and proper manner as may be prescribed by the Board	Noted for Compliance		
91		Allotment, refund and payment of interest			
	(1)	The issuer and lead manager(s) shall ensure that the specified securities are allotted and/or application monies are refunded or unblocked within such period as may be specified by the Board.	Noted for Compliance		
	(2)	The lead manager(s) shall ensure that the allotment, credit of dematerialized securities, refunding or unblocking of application monies, as may be applicable, are done electronically	Noted for Compliance to the extent applicable		
	(3)	Where the specified securities are not allotted and/or application monies are not refunded or unblocked within the period stipulated in sub-regulation	Noted for Compliance		



		(1) above, the issuer shall undertake to pay interest at the rate of fifteen per cent. Per annum to the shareholders within such time as disclosed in the draft letter of offer and the letter of offer and the lead manager(s) shall ensure the same.			
92		Post-issue advertisements			
	(1)	The lead manager(s) shall ensure that an advertisement giving details relating to subscription, basis of allotment, number, value and percentage of all applications including ASBA, number, value and percentage of successful allottees for all applications including ASBA, date of completion of dispatch of refund orders, as applicable, or instructions to self-certified syndicate banks by the Registrar, date of dispatch of certificates or date of credit of specified securities, as applicable, and date of filing of listing application, etc. is released within ten days from the date of completion of the various activities in at least one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language daily newspaper with wide circulation at the place where registered office of the issuer is situated	Noted for Compliance		
	(2)	Details specified in sub regulation (1) shall also be placed on the websites of the stock exchanges where the securities are listed	Noted for Compliance		
93		Post-issue responsibilities of the lead manager(s)			
	(1)	The responsibility of the lead manager(s) shall continue until completion of the issue process and for any issue related matter thereafter	Noted for Compliance		
	(2)	The lead manager shall regularly monitor redressal of investor grievances arising from any issue related activities	Noted for Compliance		
	(3)	The lead manager shall continue to be responsible for post-issue activities till the applicants have received the securities certificates, credit to their demat account or refund of	Noted for Compliance		

		application monies and the listing agreement is entered into by the issuer with the stock exchange and listing or trading permission is obtained.			
	(4)	The lead manager(s) shall be responsible for and co-ordinate with the registrars to the issue and with various intermediaries at regular intervals after the closure of the issue to monitor the flow of applications from self-certified syndicate banks, processing of the applications including application form for ASBA and other matters till the basis of allotment is finalized, credit of the specified securities to the dematerialized accounts of the allottees, as applicable and unblocking of ASBA accounts/ dispatch of refund orders are completed and securities are listed, as applicable.	Noted for Compliance		
	(5)	Any act of omission or commission on the part of any of the intermediaries noticed by the lead manager(s) shall be duly reported by them to the Board	Noted for Compliance		
	(6)	In case there is a devolvement on underwriters, the lead manager(s) shall ensure that the notice for devolvement containing the obligation of the underwriters is issued within ten days from the date of closure of the issue.	Not applicable		The Issue is not underwritten
	(7)	In case of undersubscribed issues that are underwritten, the lead manager(s) shall furnish information to the Board in respect of underwriters who have failed to meet their underwriting devolvement in the format specified in Schedule XVIII	Not applicable		The Issue is not underwritten
94		Release of subscription money			
	(1)	The lead manager(s) shall confirm to the bankers to the issue by way of copies of listing and trading approvals that all formalities in connection with the issue have been completed and that the banker is free to release the money to the issuer or release the money for refund in case of failure of the issue.	Noted for Compliance		

	(2)	In case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were listed, it shall refund through verifiable means the entire monies received within seven days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within eight days after the issuer becomes liable to repay it the issuer and every director of the 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 the rate of fifteen per cent. Per annum.	Noted for Compliance to the extent applicable		
	(3)	The lead manager(s) shall ensure that the monies received in respect of the rights issue are released to the issuer in compliance with the provisions of sub-section (3) of section 40 of the Companies Act, 2013, as applicable	Noted for Compliance		
95		Reporting of transactions of the promoters and promoter group			
		The issuer shall ensure that all transactions in securities by the promoters and promoter group between the date of filing of the draft letter of offer or letter of offer, as the case may be, and the date of closure of the issue shall be reported to the stock exchanges where the specified securities of the issuer are to be listed, within twenty four hours of such transactions	Noted for Compliance		
96		Post-issue reports			
		The lead manager(s) shall submit post-issue reports as follows:	Noted for Compliance		
	(a)	Initial post-issue report as specified in Part B of Schedule XVII , within three working days of closure of the issue;	Noted for Compliance		
	(b)	Final post-issue report as specified in Part C of Schedule XVII , within fifteen days of the date of finalization of basis of allotment or within fifteen days of refund of money in case of failure of the issue.	Noted for Compliance		
		PART VIII: MISCELLENEOUS			



97		Restriction on further capital issues			
		An issuer shall not make any further issue of specified securities in any manner whether by way of public issue, rights issue, preferential issue, qualified institutions placement, issue of bonus shares or otherwise, except pursuant to an employee stock option scheme:	Noted for Compliance		
	(a)	in case of a fast track issue, during the period between the date of filing the letter of offer with the stock exchanges where the securities are proposed to be listed and the listing of the specified securities offered through the letter of offer or refund of application monies; or	Not applicable		
	(b)	in case of other issues, during the period between the date of filing the draft letter of offer with the Board and the listing of the specified securities offered through the letter of offer or refund of application monies; Unless full disclosures regarding the total number of specified securities or amount proposed to be raised from such further issue are made in such draft letter of offer or letter of offer, as the case may be.	Noted for Compliance		
98		Alteration of rights of holders of specified securities			
		The issuer shall not alter the terms (including the terms of issue) of specified securities which may adversely affect the interests of the holders of those specified securities, except with the consent in writing of the holders of not less than three-fourths of the specified securities of that class or with the sanction of a special resolution passed at a meeting of the holders of the specified securities of that class.	Noted for Compliance		
		PART IX: FAST TRACK RIGHTS ISSUE			
99		Eligibility conditions			
		Unless otherwise specified, nothing contained in sub-regulations (1), (2), (4) and (5) of regulation 71 shall apply if the issuer satisfies the	Not applicable		

		following conditions for making a rights issue through the fast track route -			
	(a)	the equity shares of the issuer have been listed on any stock exchange for a period of at least three years immediately preceding the reference date;	Not applicable		
	(b)	the entire shareholding of the promoter group of the issuer is held in dematerialised form on the reference date	Not applicable		
	(c)	the average market capitalisation of public shareholding of the issuer is at least two hundred and fifty crore rupees;	Not applicable		
	(d)	the annualised trading turnover of the equity shares of the issuer during six calendar months immediately preceding the month of the reference date has been at least two per cent. of the weighted average number of equity shares listed during such six months' period: Provided that for issuers, whose public shareholding is less than fifteen per cent. of its issued equity capital, the annualised trading turnover of its equity shares has been at least two per cent. of the weighted average number of equity shares available as free float during such six months' period;	Not applicable		
	(e)	the annualized delivery-based trading turnover of the equity shares during six calendar months immediately preceding the month of the reference date has been at least ten per cent. of the annualized trading turnover of equity shares during such six months' period;	Not applicable		
	(f)	the issuer has been in compliance with the equity listing agreement or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, for a period of at least three years immediately preceding the reference date: Provided that if the issuer has not complied with the provisions of the listing agreement or the Securities	Not applicable		



		and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, relating to composition of board of directors, for any quarter during the last three years immediately preceding the reference date, but is compliant with such provisions at the time of filing of letter of offer, and adequate disclosures are made in the letter of offer about such non-compliances during the three years immediately preceding the reference date, it shall be deemed as compliance with the condition; Provided further that imposition of only monetary fines by stock exchanges on the issuer shall not be a ground for ineligibility for undertaking issuances under this regulation;			
	(g)	the issuer has redressed at least ninety-five per cent. of the complaints received from the investors till the end of the quarter immediately preceding the month of the reference date;	Not applicable		
	(h)	that no show-cause notices, excluding proceedings for imposition of penalty, have been issued by the Board and pending against the issuer or its promoters or whole-time directors as on the reference date.; In cases where against the issuer or its promoters or whole-time directors, i) show-cause notice(s) has been issued by the Board in a proceeding for imposition of penalty; or ii) prosecution proceedings have been initiated by the Board; necessary disclosures in respect of such action(s) along-with its potential adverse impact on the issuer shall be made in the letter of offer;	Not applicable		
	(i)	the issuer or promoter or promoter group or director of the issuer has not settled any alleged violation of securities laws through the consent or settlement mechanism with the Board during three years immediately preceding the reference date;	Not applicable		



	(j)	the equity shares of the issuer have not been suspended from trading as a disciplinary measure during last three years immediately preceding the reference date;	Not applicable		
	(k)	there shall be no conflict of interest between the lead manager(s) and the issuer or its group companies in accordance with the applicable regulations.	Not applicable		
	(l)	the promoters and promoter group shall mandatorily subscribe to their rights entitlement and shall not renounce their rights, except to the extent of renunciation within the promoter group or for the purpose of complying with minimum public shareholding norms prescribed under the Securities Contracts (Regulation) Rules, 1957;	Not applicable		
	(m)	for audit qualifications, if any, in respect of any of the financial years for which accounts are disclosed in the letter of offer, the issuer shall provide the restated financial statements adjusting for the impact of the audit qualifications. Further, that for the qualifications wherein impact on the financials cannot be ascertained the same shall be disclosed appropriately in the letter of offer.	Not applicable		
		Explanation: For the purpose of this regulation: (i) "average market capitalisation of public shareholding" means the sum of daily market capitalisation of public shareholding for a period of one year up to the end of the quarter preceding the month in which the proposed issue was approved by the shareholders or the board of the issuer, as the case may be, divided by the number of trading days. (ii) "public shareholding" shall have the same meaning as assigned to it under the Securities Contracts (Regulation) Rules, 1957. (iii) "reference date" means the date of filing the letter of offer with the designated stock exchange. (iv) "audit qualifications" for this regulation shall be those disclosed	Not applicable		



		under applicable accounting standard relating to modification to the opinion in the independent auditor's report and requires a qualified opinion, adverse opinion or disclaimer of opinion for material misstatements.			
100		Issue conditions			
	(1)	The issuer shall file the letter of offer in accordance with sub-regulation 8 and 9 of regulation 71 and shall pay fees to the Board as specified in Schedule III .	Noted for compliance		
	(2)	The lead manager(s) shall submit to the Board, the following documents along with the letter of offer:			
	(a)	a due diligence certificate as per Form A of Schedule V including additional confirmations as specified in Form E of Schedule V ;	Noted for compliance		
	(b)	in case of a fast track issue of convertible debt instruments, a due diligence certificate from the debenture trustee as per Form B of Schedule V .	Not applicable		

*Modified in accordance with relaxations provided under Relaxation Circular 1.

Part A – Disclosures in offer document/letter of offer, Abridged Letter of Offer See regulations 17, 24(2)(b), 57(1)(f), 70(2), 122(2)(ii), 153(1)(f), 239, 246(2)(b), 282(1)(f), 287(2), 291					
Regulation	Sub-Regulation	Contents	Status of compliance	Page No.	Comments
		Part B- Disclosure in the Letter of Offer			
		[See regulation 70(2)]			
(1)		An issuer, satisfying the following conditions, shall make the disclosures as specified in clause (4) of this Part, in the draft letter of offer/letter of offer:	Noted for compliance		
	(a)	The periodic reports, statements and information are being filed in compliance with the listing agreement or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable for the last one year immediately preceding the date of filing the letter	Complied with to the extent applicable		



		of offer with the designated stock exchange in case of a fast track issue and in any other case, the date of filing the draft letter of offer with the Board;			
	(b)	the reports, statements and information referred to in sub-clause (a) above are available on the website of stock exchange MSEI;	Complied with		
	(c)	the Issuer has investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by the board of directors of the issuer as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.	Complied with		
(2)		If the Issuer does not satisfy the conditions specified in clause (1), it shall make disclosures in the letter of offer as specified in Part B-1 of this Schedule.	Not applicable		
(3)		Following issuers shall mandatorily make disclosures in the draft letter of offer/letter of offer as specified in Part B-1 of this Schedule:	Not applicable		
	(a)	an Issuer whose management has undergone any change pursuant to acquisition of control in accordance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 or the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable and is making a rights issue of specified securities for the first time subsequent to such change and a period of three full years has not elapsed since such a change;	Not applicable		
	(b)	an Issuer whose specified securities have been listed consequent to the relaxation granted by the Board under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 for listing of its specified securities pursuant to a scheme sanctioned by a High Court under sections 391 to 394 of the Companies Act, 1956 or approved by a tribunal under sections 230-234 of the	Not applicable		



		Companies Act, 2013, as applicable, and is making a rights issue of specified securities for the first time subsequent to such listing and a period of three full years has not elapsed since such listing.			
	(4)	An issuer proposing a rights issue shall make the following disclosures, as far as possible, in the letter of offer in the order in which the disclosures are specified in this clause:	Complied with to the extent applicable		
	(I)	Cover Pages: The cover page paper shall be of adequate thickness (minimum hundred GSM quality).	Complied with		
	(A)	Front Cover Pages:	Complied with		
	(i)	Front inside cover page shall be kept blank.	Complied with		
	(ii)	Front outside cover page shall contain only the following details:			
	(a)	Type of letter of offer ("Draft Letter of Offer" or "Letter of Offer").	Complied with		
	(b)	Date of the draft letter of offer / letter of offer.	Complied with		
	(c)	Name of the issuer, its logo, date and place of its incorporation, corporate identity number, telephone number, address of its registered and corporate offices, website address and e-mail address (mention if where there has been any change in the address of the registered office or the name of the issuer, reference to the page of the offer document where details thereof are given).	Complied with		
	(d)	Nature, number and price of specified securities offered and issue size, as may be applicable.	Complied with		
	(e)	Name of the promoter,	Complied with		
	(f)	Details of the issuer or any of its promoters or directors being a wilful defaulter.	Complied with		
	(g)	The following clause on "General Risk" shall be incorporated in a box format: "Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer 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 this	Complied with		



		offering. For taking an investment decision, investors shall rely on their own examination of the issuer and the offer including the risks involved. The securities 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 document. Specific attention of investors is invited to the statement of 'Risk factors' given on page number under the section 'General Risks'."			
	(h)	The following clause on 'Issuer's Absolute Responsibility' shall be incorporated in a box format: "The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this letter of offer contains all information with regard to the issuer and the issue, which is material in the context of the issue, and that the information contained in the 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 make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."	Complied with		
	(i)	Names, logos and addresses of all the lead manager(s) with their titles who have signed the due diligence certificate and filed the letter of offer with the Board, along with their telephone numbers, website addresses and e-mail addresses. (Where any of the lead manager(s) is an associate of the issuer, it shall disclose itself as an associate of the issuer and that its role is limited to marketing of the issue.)	Complied with		
	(j)	Name, logo and address of the registrar to the issue, along with its telephone number, website address and e-mail address.	Complied with		
	(k)	Issue schedule:			
		Date of opening of the issue	Complied with		
		Date of closing of the issue	Complied with		



(I)	Name(s) of the stock exchanges where the specified securities are listed and the details of their in-principle approval for listing obtained from these stock exchange(s).	Complied with		
(II)	Back cover pages:			
	The back inside cover page and back outside cover page shall be kept blank.	Complied with		
(III)	Table of contents: The table of contents shall appear immediately after the front inside cover page.	Complied with		
(IV)	Definitions and abbreviations:			
(A)	Conventional or general terms	Complied with		
(B)	Issue related terms	Complied with		
(C)	Issuer and industry related terms	Complied with		
(D)	Abbreviations	Complied with		
(V)	Letter of offer summary: This section shall contain summary of the following information, as applicable:			
(A)	Primary business of the Issuer in not more than 50 words;	Complied with		
(B)	Objects of the issue in a tabular format;	Complied with		
(C)	Intention and extent of participation by promoter/promoter group with respect to:	Complied with		
(a)	their rights entitlement	Complied with		
(b)	their intention to subscribe over and above their right entitlement	Complied with		
(D)	Summary table of outstanding litigations and a cross-reference to the section titled 'Outstanding Litigations and Defaults';	Complied with		
(E)	Cross-reference to the section titled 'Risk Factors'.	Complied with		
(F)	Cross-reference to contingent liabilities of the issuer as disclosed in audited financial statements.	Complied with		
(G)	Cross-reference to related part transactions (RPT) as disclosed in audited financial statements.	Complied with		
(H)	Any issuances of equity shares made in the last one year for consideration other than cash.	Complied with		
(VI)	Risk factors:			
(A)	Risk factors shall be printed in clear readable font (preferably of minimum point ten size).	Complied with		
(B)	Risk factors shall be in relation to the following:			



	(1)	issue and objects of the issue:	Complied with		
	(2)	issuer and its ongoing business activities:	Complied with		
	(3)	summary of outstanding litigations as disclosed in the section on litigation in a tabular format along with amount involved, wherever quantifiable. Issuer shall also separately highlight any criminal and regulatory matters which may have any material adverse effect on the issuer.	Complied with		
	(C)	Risk factors shall be determined on the basis of their materiality. In doing so, the following shall be considered:	Complied with		
	(1)	Some risks may not be material individually but may be found material collectively.	Complied with		
	(2)	Some risks may have an impact which is qualitative though not quantitative.	Complied with		
	(3)	Some risks may not be material at present but may have a material impact in the future.	Complied with		
	(D)	Each risk factor shall appear in the following manner:	Complied with		
	(1)	Risk as envisaged by the issuer.	Complied with		
	(2)	Proposals, if any, to address the risk.	Complied with		
	(E)	Proposals to address the risks shall not contain any speculative statement on the positive outcome to any matter or litigation, etc.	Complied with		
	(F)	Proposals to address the risks shall not be given for any matter that is sub-judice before any court or tribunal.	Complied with		
	(G)	Risk factors shall be disclosed in the descending order of materiality. Wherever risks about material impact are stated, likely or potential implications, including any financial implication, on the Company for the same shall be disclosed.	Complied with		
	(VII)	Introduction:	Complied with		
	(A)	Summary:	Complied with		
	(1)	Issue details in brief.	Complied with		
	(B)	General Information:	Complied with		
	(1)	Name, addresses of the registered and corporate offices, corporate identity number and the registration number of the issuer, along with the address of the Registrar of Companies where the issuer is registered.	Complied with		
	(2)	Names, addresses, telephone numbers and e-mail addresses of the Company	Complied with		



		Secretary and compliance officer of the issuer.			
	(3)	Name, address, telephone number and e-mail address of the Statutory Auditor(s) of the issuer.	Complied with		
	(4)	Names, addresses, telephone numbers, contact person, website addresses and e-mail addresses of the bankers to the issue, self-certified syndicate bankers and legal advisors to the issue; URL of SEBI website listing out the details of self-certified syndicate banks, registrar to issue and share transfer agents, depository participants, etc.	Complied with		
	(5)	Statement of inter-se allocation of responsibilities among lead manager.	Not Applicable		
	(6)	Following details of credit rating in case of an issue of convertible debt instrument:	Not applicable		
	(a)	The names of all the credit rating agencies from which credit rating including unaccepted rating has been obtained for the issue of convertible debt instruments.	Not applicable		
	(b)	Details of all credit ratings, including unaccepted ratings, obtained for the issue of convertible debt instruments.	Not applicable		
	(c)	All credit ratings obtained during the preceding three years for any of the issuer's listed convertible debt instruments at the time of accessing the market through a convertible debt instrument.	Not applicable		
	(7)	Name, address, telephone number, website address and e-mail address of the debenture trustee in case of an issue of convertible debt instruments.	Not applicable		
	(8)	Name, address, telephone number and e-mail address of the monitoring agency, if appointed, and disclosure as to whether such appointment is pursuant to these regulations.	Not applicable		
	(9)	Details of underwriting:	Not applicable		
	(a)	Names, address, telephone numbers, and e-mail address of the underwriters and the amount underwritten by each of them.	Not applicable		
	(b)	Declaration by the board of directors of the issuer that the underwriters have sufficient resources to discharge their respective obligations.	Not applicable		

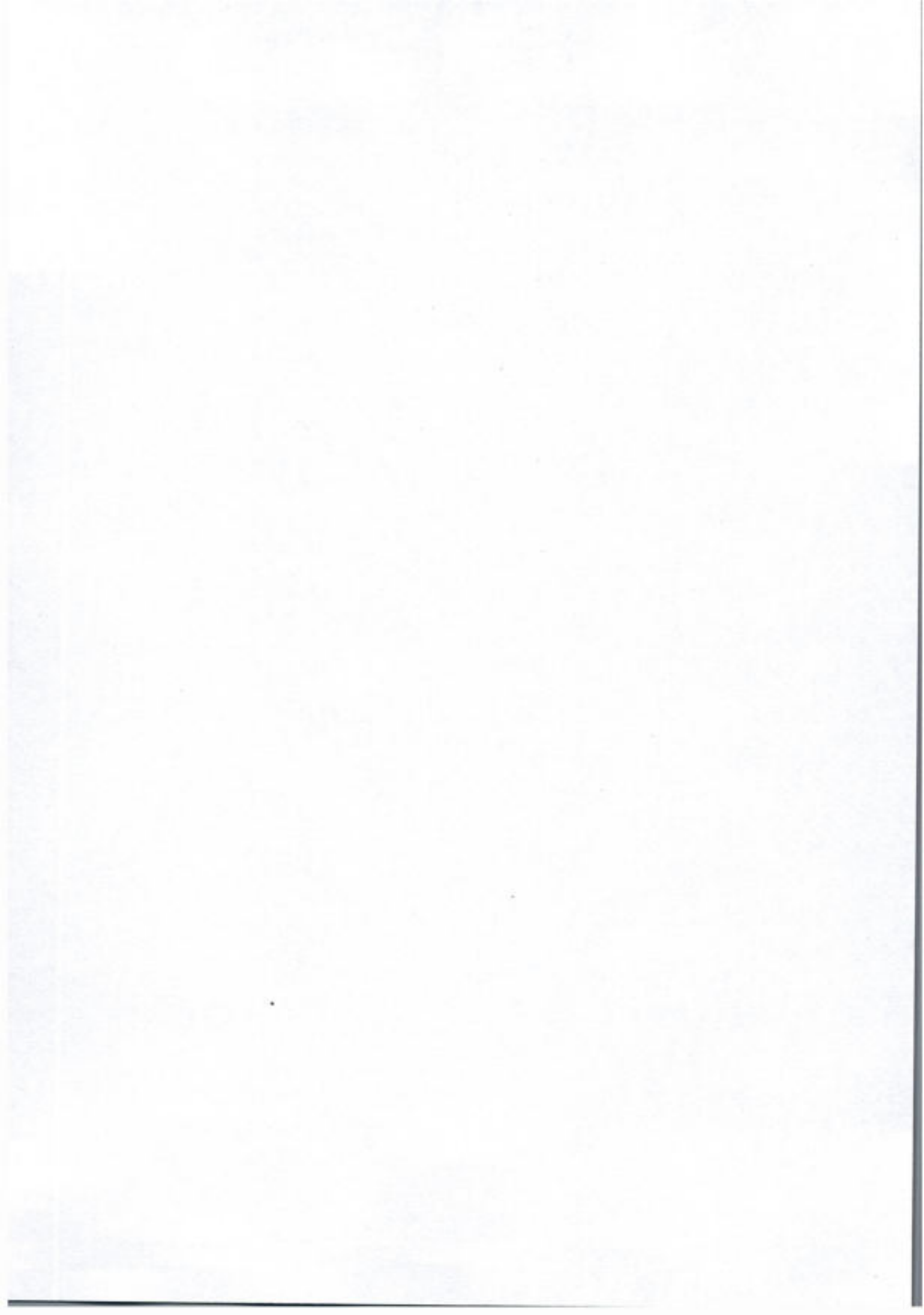


	(c)	In case of partial underwriting of the issue, the extent of such underwriting.	Not applicable		
	(d)	Details of the final underwriting arrangement, indicating actual number of specified securities underwritten, in the letter of offer filed with the designated stock exchange.	Not applicable		
	(10)	The fact of filing the letter of offer with the Board and the stock exchange(s) and the office of the Board where the letter of offer has been filed.	Complied with to the extent applicable		
	(C)	Capital Structure: The capital structure in the following manner in a tabular form:	Complied with		
	(1)	Authorised, issued and subscribed capital, after suitable incorporation of the outstanding convertible securities (number of securities, description and aggregate nominal value).	Complied with		
	(2)	Paid-up capital.	Complied with		
	(a)	After the issue.			
	(b)	After conversion of convertible instruments (if applicable).	Not applicable		
	(3)	The following details of outstanding instruments:			
	(a)	Details of options, if any.	Not applicable		
	(b)	Details of convertible securities, if any	Not applicable		
	(4)	Details of specified securities held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such specified securities. This information can be either incorporated by reference with specific website details of stock exchange(s) or by providing required details in the letter of offer.	Not applicable		
	(5)	Details of specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of the letter of offer with the designated stock exchange in case of a fast track issue and in any other case, the date of filing of the draft letter of offer with the Board.	Not applicable		
	(6)	Intention and extent of participation by the promoter and promoter group in the issue with respect to:	Complied with to the extent applicable		

	(1)	their rights entitlement.	Complied with to the extent applicable		
	(2)	their intention to subscribe over and above their rights entitlement.	Complied with to the extent applicable		
		Provided that such participation shall not result in a breach of the minimum public shareholding requirement stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	Complied with to the extent applicable		
	(7)	Ex-rights price as referred under clause of (b) of sub-regulation 4 of regulation 10 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011.	Complied with to the extent applicable		
	(8)	Shareholding pattern as in the format prescribed in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as submitted to the stock exchanges. This information can be either incorporated by reference with specific website details of stock exchange(s) or by providing required details in the letter of offer.	Complied with to the extent applicable		
	(9)	Details of the shareholders holding more than one per cent. of the share capital of the issuer. This information can be either incorporated by reference with specific website details of stock exchange(s) or by providing required details in the letter of offer.	Complied with to the extent applicable		
	(VIII)	Particulars of the Issue	Complied with to the extent applicable		
	(A)	Objects of the Issue:			
	(1)	Objects of the issue for which funds are being raised	Complied with to the extent applicable		
	(2)	If the objects of the issue is repayment of loan or any other debt, then the following disclosures shall be made:	Not applicable		
	(a)	details of loan proposed to be repaid such as name of the lender, tenure, brief terms and conditions and amount outstanding;	Not applicable		
	(3)	If one of the objects is investment in a joint venture or subsidiary or an acquisition, the following additional disclosures shall be made:			



	(a)	details of the form of investment, i.e., equity, debt or any other instrument;	Complied with to the extent applicable		
	(b)	if the form of investment has not been decided, a statement to that effect;	Complied with to the extent applicable		
	(c)	if the investment is in debt instruments, complete details regarding the rate of interest, nature of security, terms of repayment, subordination, etc.;	Not applicable		
	(d)	nature of benefit expected to accrue to the issuer as a result of the investment	Complied with to the extent applicable		
	(4)	If one of the objects of the issue is to grant a loan to an entity other than a subsidiary, details of the loan agreements including the rate of interest, whether secured or unsecured, duration, nature of security, terms of repayment, subordination, etc. and the nature of benefit expected to accrue to the issuer as a result of the investment. If such a loan is to be granted to any of the group companies, details of the same.	Not applicable		
	(5)	If one of the objects of the issue is utilisation of the issue proceeds for long term working capital, the following additional disclosures on a standalone basis:			
	(a)	Basis of estimation of working capital requirement, along with relevant assumptions.	Complied with to the extent applicable		
	(b)	Reasons for raising additional working capital, substantiating the same with relevant facts and figures.	Complied with to the extent applicable		
	(c)	Details of the projected working capital requirement including detailed assessment of working capital after implementation of the project or achievement of objects of the issue, as the case may be, capacity utilisation assumptions, break-up of expected current assets into raw materials, finished goods, work in progress, sundry debtors etc., along with the assumption about the holding norms for each type of current asset, total current liabilities, net current assets and envisaged sources of finance for net current assets, i.e., bank finance, institutional finance, own funds, etc.	Complied with to the extent applicable		





	(d)	Total envisaged working capital requirement in a tabular form, the margin money thereof and the portion to be financed by any bank(s) or otherwise.	Complied with to the extent applicable		
	(e)	Details of the existing working capital available with the issuer, along with a break-up of total current assets into raw materials, finished goods, work in progress, sundry debtors, etc., total current liabilities, net current assets and sources of finance for net current assets, i.e., bank finance, institutional finance, own funds, etc.	Complied with to the extent applicable		
	(f)	If no working capital is shown as a part of the project for which the issue is being made, the reasons for the same.	Complied with to the extent applicable		
	(6)	If an object of the issue is to fund a project, the following details shall be given:			
	(a)	break-up of the cost of the project for which the money is being raised;	Complied with to the extent applicable		
	(b)	means of financing for the project	Complied with to the extent applicable		
	(c)	location of the project	Complied with to the extent applicable		
	(d)	plant and machinery, technology, process, etc.	Complied with to the extent applicable		
	(e)	collaboration, performance guarantee if any, or assistance in marketing by the collaborators.	Complied with to the extent applicable		
	(f)	infrastructure facilities for raw materials and utilities like water, electricity, etc.	Complied with to the extent applicable		
	(7)	If one of the objects of the issue is to purchase any plant, machinery, technology, process, etc., the following details shall be given:	Complied with to the extent applicable		
	(a)	Details shall be given in a tabular form, which shall include the details of the equipment required to be bought by the issuer, cost of the equipment, name of the suppliers, date of placement of order and the date or expected date of supply, etc.	Complied with to the extent applicable		
	(b)	In case the order for the equipment is yet to be placed, the date of quotations relied upon for the cost estimates given shall also be mentioned.	Complied with to the extent applicable		



	(c)	The percentage and value terms of the equipment for which orders are yet to be placed shall be stated.	Complied with to the extent applicable		
	(d)	The details of the second hand equipment bought or proposed to be bought, if any, including the age of the machines, balance estimated life, etc. shall also be given.	Complied with to the extent applicable		
	(8)	If warrants or partly paid shares are proposed to be issued in a rights issue, disclosure of the objects towards which the funds from conversions of warrants/call money for partly paid shares is proposed to be used.	Not applicable		
	(B)	Requirement of Funds:			
	(1)	Where the issuer proposes to undertake more than one activity or project, such as diversification, modernisation, expansion, etc., the total project cost activity-wise or project wise, as the case may be.	Complied with to the extent applicable		
	(2)	Where the issuer is implementing the project in a phased manner, the cost of each phase including the phase, if any, which has already been implemented.	Complied with to the extent applicable		
	(3)	Details of all material existing or anticipated transactions in relation to the utilisation of the issue proceeds or project cost with promoters, directors, key managerial personnel, associate companies (as defined under the Companies Act, 2013). The relevant documents shall be included in the list of material documents for inspection.	Complied with to the extent applicable		
	(4)	If any part of the proceeds of the issue is to be applied directly or indirectly:	Not applicable		
	(A)	in the purchase of any business; or	Not applicable		
	(B)	in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith; the issuer will become entitled to an interest in respect to either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof; a report made by accountants (who shall be named in the letter of offer) upon:	Not applicable		
	(i)	the profits or losses of the business of each of the five financial years	Not applicable		



		immediately preceding the issue of the letter of offer; and			
	(ii)	the assets and liabilities of the business at the last date to which the accounts of the business were made, being a date not more than six months before the date of the issue of the draft letter of offer.	Complied with		
	(5)	If:			
	(A)	any part of the proceeds of the issue is to be applied directly or indirectly in any manner resulting in the acquisition by the issuer of shares in any other body corporate; and	Not applicable		
	(B)	by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate will become a subsidiary of the issuer; a report made by accountants (who shall be named in the letter of offer) upon:	Not applicable		
	(i)	the profits or losses of the other body corporate for each of the five financial years immediately preceding the issue of the Letter of Offer; and	Not applicable		
	(ii)	the assets and liabilities of the other body corporate at the last date to which its accounts were made,	Not applicable		
	(C)	Strategic partners to the project or objects of the issue.	Not applicable		
	(D)	Financial partners to the project or objects of the issue.	Not applicable		
	(E)	Funding plan (Means of Finance):			
	(1)	An undertaking by the issuer confirming that firm arrangements of finance through verifiable means towards seventy-five per cent. of the stated means of finance, excluding the amount to be raised through the proposed issue and existing identifiable internal accruals, have been made.	Complied with to the extent applicable		
	(2)	Balance portion of the means of finance for which no firm arrangement has been made without specification.	Complied with to the extent applicable		
	(3)	Details of funds tied up and the avenues for deployment of excess proceeds, if any.	Complied with to the extent applicable		
	(F)	Appraisal (if applicable):			



	(1)	Scope and purpose of the appraisal, if any, along with the date of appraisal.	Not applicable		
	(2)	Cost of the project and means of finance as per the appraisal report.	Not applicable		
	(3)	Explanation of revision, if any, in the project cost and the means of finance after the date of issue of the appraisal report.	Not applicable		
	(4)	Weaknesses, qualifications and threats given in the appraisal report, by way of risk factors.	Not applicable		
	(G)	Schedule of implementation: The schedule of implementation of the project and the progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, trial production, date of commercial production and reasons for delay, if any.	Not applicable		
	(H)	Deployment of funds:			
	(1)	Details of the sources of funds and the deployment of these funds on the project (where the issuer is raising capital for a project), up to a date not earlier than two months from the date of filing the letter of offer with the designated stock exchange, as certified by a Chartered Accountant, along with the name of the chartered accountant and the date of the certificate.	Not applicable		
	(2)	Where share application money brought in advance by the promoters is deployed in the project and the same is being adjusted towards their rights entitlement in the rights issue, the extent of deployment and utilisation of the funds brought in by the promoters.	Not applicable		
	(I)	Sources of financing of funds already deployed: Means and source of financing, including details of "bridge loan" or other financial arrangement, which may be repaid from the proceeds of the issue	Not applicable		
	(J)	Details of balance fund deployment: Year wise break-up of the expenditure proposed to be incurred on the said project.	Not applicable		
	(K)	Interim use of funds: A statement that net issue proceeds pending utilization (for the stated objects) shall	Not applicable		

		be deposited only in the scheduled commercial banks.			
	(L)	Expenses of the issue: Expenses of the issue (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size) under the following heads:	Complied with to the extent applicable		
	(1)	Lead manager(s) fees including underwriting commission	Complied with to the extent applicable		
	(2)	Brokerage, selling commission and upload fees	Complied with to the extent applicable		
	(3)	Registrars to the issue	Complied with to the extent applicable		
	(4)	Legal Advisors	Not applicable		
	(5)	Advertising and marketing expenses	Complied with to the extent applicable		
	(6)	Regulators including stock exchanges	Complied with to the extent applicable		
	(7)	Printing and distribution of issue stationary	Complied with to the extent applicable		
	(8)	Others, if any (to be specified).	Complied with to the extent applicable		
	(M)	Any special tax benefits for the issuer and its shareholders and its material subsidiaries identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	Complied with to the extent applicable		
	(N)	Key Industry Regulations for the proposed objects of the issue (if different from existing business of the issuer).	Complied with to the extent applicable		
	(O)	Interest of promoters, promoter group and directors, as applicable to the project or objects of the issue.	Complied with to the extent applicable		
	(IX)	Details of Business: Description of the industry and nature of the company's operations and its principal activities, including the main categories of products sold and/or services performed, end-users of the issuer's products and/or services, plant, machinery, technology, process, principal markets in which the issuer competes, approach to marketing, business strategy and productive capacity and extent of utilization of the issuer's facilities.	Complied with to the extent applicable		

	(X)	Management (Board of Directors and Senior Management) and Organisational Structure:	Complied with to the extent applicable		
	(A)	Name, date of birth, age, Director Identification Number, address, occupation and date of expiration of the current term of office of manager, managing director and other directors (including nominee directors and whole-time directors), period of directorships and directorships in other companies.	Complied with to the extent applicable		
	(1)	For each person, details of current and past directorship(s) for a period of five years in listed companies whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure, as follows:	Complied with to the extent applicable		
		Name of the Company:	Complied with to the extent applicable		
		Listed on give name of the stock exchange(s)	Complied with to the extent applicable		
		Date of suspension on the stock exchanges:	Not applicable		
		If trading suspended for more than three months, reasons for suspension and period of suspension:	Not applicable		
		If the suspension of trading revoked, the date of revocation of suspension:	Not applicable		
		Term (along with relevant dates) of the director in the above company(ies). (The above details shall be given for the preceding five years. In case of offer documents for fast track issues filed under the provisions of these regulations, the period of five years shall be reckoned on the date of filing of the letter of offer.)	Complied with to the extent applicable		
	(2)	For each person, details of current and past directorship(s) in listed companies who have been/were delisted from the stock exchange(s) during his/her tenure in the past ten years, as follows:	Complied with to the extent applicable		
		Name of the Company	Complied with to the extent applicable		
		Listed on give name of the stock exchange(s)]	Complied with to the extent applicable		
		Date of delisting on the stock exchange(s)	Not applicable		

		Compulsory or voluntary delisting	Not applicable		
		Reasons for delisting	Not applicable		
		If relisted, date of relisting on [give name of the stock exchange(s)]	Not applicable		
		Term (along with relevant dates) of the director in the above company(ies).	Not applicable		
	(B)	Details of senior management and key management.	Complied with to the extent applicable		
	(C)	Current organisational structure.	Complied with to the extent applicable		
	(XI)	Financial Information of the issuer:			
		One standard financial unit shall be used in the Letter of Offer.	Complied with to the extent applicable		
	(A)	Consolidated financial statements of the issuer:			
		The audited consolidated financial statements prepared in accordance with applicable accounting standards for the last financial year (with the comparative prior full year period). In addition, latest limited review financial statements disclosed to the stock exchange with the comparative prior year period (this information should not be earlier than six months prior to the date of the opening of the issue). Issuers may voluntarily include additional financial statements, including three years of audited financial statements (but not more than three years), additional stub periods and audited standalone financial statements. The following shall be included in the letter of offer:	Not applicable		
	(i)	Report of statutory auditors on the financial statements.	Complied with to the extent applicable		
	(ii)	Balance sheets	Complied with to the extent applicable		
	(iii)	Statements of income	Complied with to the extent applicable		
	(iv)	Schedules to accounts	Complied with to the extent applicable		
	(v)	Statements of changes in stockholders' equity	Complied with to the extent applicable		
	(vi)	Statements of cash flows	Complied with to the extent applicable		
	(vii)	Statement of accounting policies	Complied with to the extent applicable		



	(viii)	Notes to financial statements	Complied with to the extent applicable		
	(ix)	Accounting Ratios	Complied with to the extent applicable		
	(a)	Earnings per share (Basic and Diluted)	Complied with to the extent applicable		
	(b)	Return on net worth	Complied with to the extent applicable		
	(c)	Net Asset Value per Share	Complied with to the extent applicable		
	(d)	EBITDA	Complied with to the extent applicable		
	(B)	PROFORMA FINANCIAL STATEMENTS –			
		The Issuer shall provide pro forma financial statements, as certified by the statutory auditor, of all the subsidiaries or businesses material to the consolidated financial statements where the issuer or its subsidiaries have made an acquisition or divestment including deemed disposal after the latest period for which financial information is disclosed in the letter of offer but before the date of filing of the letter of offer. For this purpose, the acquisition/divestment would be considered as material if acquired/ divested business or subsidiary in aggregate contributes 20% or more to turnover, net worth or profit before tax in the latest annual consolidated financial statements of the issuer. The pro forma financial statements shall be prepared for the last completed financial year and the stub period (if any). The pro forma financial statements shall be prepared in accordance with the Guidance Note issued by the ICAI from time to time and certified by the statutory auditor. The issuer company may voluntarily choose to provide pro forma financial statements of acquisitions even when they are below the above materiality threshold. In case of one or more acquisitions or divestments, one combined set of pro forma financial statements should be presented. Where the businesses acquired/ divested does not represent a separate entity, general purpose financial statement may not be available for	Complied with to the extent applicable		



		such business. In such cases, combined/ carved-out financial statements for such businesses shall be prepared in accordance with the Guidance Note issued by the ICAI from time to time. Further, in case of non-material acquisitions/divestments, disclosures in relation to the fact of the acquisition/divestment, consideration paid/received and mode of financing shall be certified by the statutory auditor of the issuer company.			
	(C)	AUDIT QUALIFICATION.			
		If the auditors' report for the latest full year or limited review report for the latest stub period on the financial statements is modified, the issuer shall comply with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to audit report with modified opinion prior to issuing the final letter of offer, including issuing a Statement on Impact of Audit Qualifications in the format specified by the Board from time to time. The impact of any modification of auditors' opinion (where quantifiable), whether such modification is included in the audited report for the latest full year or limited review report for the latest stub period, shall be shown as adjustments in the line items specified by the Board from time to time to the extent possible for all the financial periods (full-year or stub) presented in the letter of offer, including any comparative prior year periods. Any type of audit modification (qualification, disclaimer or emphasis of matter) shall also be disclosed appropriately in the letter of offer, including as risk factor.	Complied with to the extent applicable		
	(XII)	A statement to the effect that the price has been arrived at in consultation between the issuer and the lead manager(s).	Complied with to the extent applicable		



	(XIII)	Management Discussion and Analysis of financial condition and results of operations.	Complied with to the extent applicable		
	(XIV)	Disclosures pertaining to wilful defaulters: If the issuer or any of its promoter or director has been declared as a wilful defaulter, it shall make the following disclosures with respect to each such person separately:	Complied with to the extent applicable		
	(a)	Name of the person declared as a wilful defaulter;	Complied with to the extent applicable		
	(b)	Name of the bank declaring the person as a wilful defaulter;	Complied with to the extent applicable		
	(c)	Year in which the person was declared as a wilful defaulter;	Complied with to the extent applicable		
	(d)	Outstanding amount when the person was declared as a wilful defaulter;	Complied with to the extent applicable		
	(e)	Steps taken, if any, by the person for removal of its name from the list of wilful defaulters;	Complied with to the extent applicable		
	(f)	Other disclosures, as deemed fit by the issuer, in order to enable investors to take an informed decision;	Complied with to the extent applicable		
	(g)	Any other disclosure as specified by the Board.	Complied with to the extent applicable		
	(XV)	Outstanding Litigations and Defaults:			
	(A)	Pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of the issuer.	Complied with to the extent applicable		
	(B)	Matters which are pending:	Complied with to the extent applicable		
	(1)	Issues of moral turpitude or criminal liability on the part of the issuer,	Complied with to the extent applicable		
	(2)	Material violations of the statutory regulations by the issuer.	Complied with to the extent applicable		
	(3)	Economic offences where proceedings have been initiated against the issuer.	Complied with to the extent applicable		
	(C)	For the purpose of determining materiality, the threshold shall be determined by the issuer as per requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	Complied with to the extent applicable		
	(D)	These disclosures shall be made in respect of the issuer and the subsidiary companies of the issuer	Complied with to the extent applicable		



		whose financial statements are included in the draft letter of offer or letter of offer, either separately or in a consolidated form.			
	(XVI)	Government Approvals or Licensing Arrangements: All material pending government and regulatory approvals pertaining to the objects of the issue.	Complied with to the extent applicable		
	(XVII)	Material Developments: Any material development after the date of the latest balance sheet and its impact on the performance and prospects of the issuer.	Complied with to the extent applicable		
	(XVIII)	Other Regulatory and Statutory Disclosures:	Complied with to the extent applicable		
	(A)	Authority for the issue and details of the resolution passed for the issue.	Complied with to the extent applicable		
	(B)	A statement by the issuer that the issuer, promoters, promoter group, directors have not been or are not prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by the Board.	Complied with to the extent applicable		
	(C)	A statement by the issuer if any of the directors of the issuer are associated with the securities market in any manner, and if yes, details of any outstanding action initiated by the Board against the said entities with the relevant details.	Complied with to the extent applicable		
	(D)	A statement by the issuer that it is in compliance with the provisions specified in Clause (1) of this Schedule.	Complied with to the extent applicable		
	(E)	For a fast track issue, details of compliance with the eligibility requirements.	Complied with to the extent applicable		
	(F)	Disclaimer clauses:	Complied with to the extent applicable		
	(1)	The letter of offer shall contain the following disclaimer clause in bold capital letters: "It is to be distinctly understood that submission of Letter of Offer to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any	Complied with to the extent applicable		

		<p>scheme or the project for which the issue is proposed to be made or for the correctness of the statements made or opinions expressed in the Letter of Offer. Lead manager has certified that the disclosures made in the Letter of Offer are generally adequate and are in conformity with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 in force for the time being. This requirement is to facilitate investors to take an informed decision for making investment in the proposed issue.</p> <p>It should also be clearly understood that while the issuer is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the letter of offer, the lead manager(s) is expected to exercise due diligence to ensure that the issuer discharges its responsibility adequately in this behalf and towards this purpose, the lead manager has furnished to the Securities and Exchange Board of India (SEBI) a due diligence certificate dated 23.10.2021 which reads as follows:</p> <p>(due diligence certificate submitted to the Board to be reproduced here)</p> <p>The filing of the letter of offer does not, however, absolve the issuer from any liabilities under the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed issue. SEBI further reserves the right to take up, at any point of time, with the lead manager(s) any irregularities or lapses in letter of offer."</p>			
	(2)	<p>Disclaimer statement from the issuer and lead manager(s):</p> <p>A statement to the effect that the issuer and the lead manager(s) accept no responsibility for statements made otherwise than in the Letter of Offer or in the advertisement or any other material issued by or at the instance of the issuer and that anyone placing reliance on any other source of</p>	Complied with to the extent applicable		



		information would be doing so at their own risk. Investors who invest in the issue will be deemed to have been represented by the issuer and lead manager(s) 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.			
	(3)	Disclaimer in respect of jurisdiction: A brief paragraph mentioning the jurisdiction under which the provisions of law and the rules and regulations are applicable to the letter of offer.	Complied with to the extent applicable		
	(4)	Disclaimer clause of the stock exchanges.	Complied with to the extent applicable		
	(5)	Disclaimer clause of the Reserve Bank of India, the Insurance Regulatory and Development Authority of India and of any other regulatory authority (if applicable).	Complied with to the extent applicable		
	(G)	The fact of filing the letter of offer with the Board and the stock exchange(s) and the office of the Board where the letter of offer has been filed.	Complied with to the extent applicable		
	(H)	Arrangements or any mechanism evolved by the issuer for redressal of investor grievances and the time normally taken by it for disposal of various types of investor grievances.	Complied with to the extent applicable		
	(XIX)	Offering Information:			
	(1)	Terms of payments and procedure and time schedule for allotment and demat credit of securities.	Complied with to the extent applicable		
	(2)	How to apply, availability of application forms and letter of offer and mode of payment, including the following:	Complied with to the extent applicable		
	(a)	Applications by mutual funds:	Complied with to the extent applicable		
	(1)	A statement under the heads "Procedure for applications by mutual funds" and "Multiple Applications" to indicate that a separate application can be made in respect of each scheme	Complied with to the extent applicable		

		of an Indian mutual fund registered with the Board and that such applications shall not be treated as multiple applications.			
	(2)	A statement that the application made by an asset management company or by custodian of a mutual fund shall clearly indicate the name of the concerned scheme for which the application is being made.	Complied with to the extent applicable		
	(b)	Applications by non-resident Indians:	Not applicable		
	(1)	the name and address of at least one place in India from where individual non-resident Indian applicants can obtain the application forms.			
	(c)	Application by ASBA investors: Details of Application Supported by Blocked Amount process including specific instructions for submitting Application Supported by Blocked Amount.	Not applicable		
	(d)	A statement that the shareholders who have not received the application form can apply, along with the requisite application money, by making an application that is available on the website of registrar, stock exchanges, lead managers or on a plain paper with same details as per application form available online.	Not applicable		
	(e)	The format to enable shareholders to make an application on a plain paper specifying therein necessary particulars such as name, address, ratio of rights issue, issue price, number of equity shares held, depository participant ID, client ID, number of equity shares applied for, amount to be blocked with SCSB for using ASBA facility. Application form available online on the website of registrar, stock exchanges, lead managers may be used for providing requisite details;	Complied with to the extent applicable		
	(f)	A statement that shareholders making an application on a plain paper cannot renounce their rights and shall not utilise the application form for any purpose including renunciation even if it is received subsequently.	Complied with to the extent applicable		
	(3)	Dealing with Fractional Entitlement: Manner of dealing with fractional	Complied with to the extent applicable		



		entitlement viz. payment of the equivalent of the value, if any, of the fractional rights in cash etc.			
	(4)	Provisions of the Companies Act, 2013, as relating to punishment for fictitious applications, including the disclosures that any person who:	Complied with to the extent applicable		
	(a)	makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or	Complied with to the extent applicable		
	(b)	makes or abets making of multiple applications to a company in different names or in different combinations of his/her name or surname for acquiring or subscribing for its securities; or	Complied with to the extent applicable		
	(c)	otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to such person, or to any other person in a fictitious name. Provided that any penalty imposed pursuant to Companies Act, 2013 shall also be disclosed.	Complied with to the extent applicable		
	(5)	A statement that credit of specified securities to the demat account/ issuing instructions for un- blocking of ASBA shall be done within a period of fifteen days and interest shall be payable in case of delay in 99 issuing instructions for un-blocking of ASBA at the prescribed rate. In cases where refunds are applicable, such refunds shall be made within a period of fifteen days and interest shall be payable in case of delay. Liability of issuer and its directors (who are officers in default) to issue instructions for unblocking/ make refunds along with specified rate of interest shall also be mentioned, in case refunds not made within the specified timeline.	Complied with to the extent applicable		
	(6)	Mode of making refunds:	Complied with to the extent applicable		
	(a)	The mode in which the issuer shall make refunds to applicants in case of an oversubscription or failure to list or otherwise.	Complied with to the extent applicable		
	(b)	If the issuer proposes to use more than one mode of making refunds to applicants, the respective cases where	Complied with to the extent applicable		



		each such mode will be adopted shall be disclosed.			
	(c)	The permissible modes of making refunds are as follows:	Complied with to the extent applicable		
	(i)	Unblocking amounts blocked using ASBA facility;	Complied with to the extent applicable		
	(ii)	In case of applicants residing in any of the centres specified by the Board: by crediting of refunds to the bank accounts of applicants through electronic transfer of funds by using Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer) or NACH (National Automated Clearing House), as applicable, as is for the time being permitted by the Reserve Bank of India;	Complied with to the extent applicable		
	(iii)	In case of other applicants: by despatch of refund orders by registered post, where the value is ₹1500/- or more, or under certificate of posting in other cases, (subject however to postal rules); and	Complied with to the extent applicable		
	(iv)	In case of any category of applicants specified by the Board: crediting of refunds to the applicants in any electronic manner permissible by the Board.	Complied with to the extent applicable		
	(XX)	Undertakings by the issuer in connection with the issue: The issuer shall undertake that:	Complied with to the extent applicable		
	(a)	complaints received in respect of the issue shall be attended to by the issuer expeditiously and satisfactorily.	Complied with to the extent applicable		
	(b)	steps for completion of the necessary formalities for listing and commencement of trading at all stock exchanges where the specified securities are to be listed are taken within the time limit specified by the Board.	Complied with to the extent applicable		
	(c)	funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the issue by the issuer.	Complied with to the extent applicable		
	(d)	where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of closure of the issue giving details of the bank	Complied with to the extent applicable		



		where refunds shall be credited along with amount and expected date of electronic credit of refund.			
	(e)	where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants.	Complied with to the extent applicable		
	(f)	adequate arrangements shall be made to collect all ASBA applications	Complied with to the extent applicable		
	(g)	in case of convertible debt instruments, the issuer shall additionally undertake that:	Complied with to the extent applicable		
	(1)	it shall forward the details of utilisation of the funds raised through the convertible debt instruments, duly certified by the statutory auditors of the issuer, to the debenture trustee at the end of each half-year.	Complied with to the extent applicable		
	(2)	it shall disclose the name and address of the debenture trustee in the annual report.	Complied with to the extent applicable		
	(3)	it shall provide a compliance certificate to the convertible debt instrument holders on a yearly basis in respect of compliance with the terms and conditions of issue of debentures as contained in the Letter of Offer, duly certified by the debenture trustee.	Complied with to the extent applicable		
	(4)	it shall furnish a confirmation certificate that the security created by the issuer in favour of the convertible debt instrument holders is properly maintained and is adequate to meet the payment obligations towards the convertible debt instrument holders in the event of a default.	Complied with to the extent applicable		
	(5)	it shall extend necessary cooperation to the credit rating agency(ies) in providing the requisite information in a true and adequate manner till the debt obligations in respect of the instrument are outstanding.	Complied with to the extent applicable		
	(XXI)	Utilisation of Issue Proceeds: The letter of offer, other than for an issue made by a scheduled commercial bank or a public financial institution, shall contain a statement of the board of directors of the issuer to the effect that:	Complied with to the extent applicable		



	(A)	all monies received out of issue of shares or specified securities to the public shall be transferred to a separate bank account.	Complied with to the extent applicable		
	(B)	details of all monies utilised out of the issue referred to in clause (A) shall be disclosed under an appropriate separate head in the balance sheet of the issuer indicating the purpose for which such monies had been utilised; and	Complied with to the extent applicable		
	(c)	details of all unutilised monies out of the issue of specified securities referred to in clause (A) shall be disclosed under an appropriate separate head in the balance sheet of the issuer indicating the form in which such unutilised monies have been invested.	Complied with to the extent applicable		
	(XXII)	Restrictions on foreign ownership of Indian securities, if any:	Complied with to the extent applicable		
	(A)	Investment by NRIs.	Complied with to the extent applicable		
	(B)	Investment by foreign portfolio investors and foreign venture capital investors.	Complied with to the extent applicable		
	(C)	Investment by other non-residents	Complied with to the extent applicable		
	(XXIII)	Statutory and other information:	Complied with to the extent applicable		
	(A)	Allotment of specified securities shall be in the dematerialised form.	Complied with to the extent applicable		
	(B)	Material contracts and time and place of inspection which shall include copies of the Annual Reports of the issuer for the last five years.	Complied with to the extent applicable		
	(XXIV)	Any other material disclosures, as deemed necessary.	Complied with to the extent applicable		
	(XXV)	Declaration:	Complied with to the extent applicable		
		"No statement made in this letter of offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. All the legal requirements connected with the issue as also the guidelines, instructions, etc., issued by SEBI, Government and any other competent authority in this behalf, have been duly complied with." The draft letter of offer (in case of issues other than fast track issues) and	Complied with to the extent applicable		

		the letter of offer shall be approved by the Board of Directors of the issuer and shall be signed by all directors including the Managing Director within the meaning of the Companies Act, 2013 or Manager within the meaning of the Companies Act, 2013 and the Chief Financial Officer or any other person heading the finance function and discharging that function. The signatories shall further certify that all disclosures made in the letter of offer are true and correct.			
	(5)	An issuer shall make a copy of the offer document of the immediately preceding public issue or rights issue available to the public in the manner specified in these regulations and shall also make such document available as a material document for inspection.]	Complied with to the extent applicable		

SCHEDULE IX – PUBLIC COMMUNICATIONS AND PUBLICITY MATERIALS

See regulation 42, 83, 138, 199 and 264

Regulation	Sub-Regulation	Contents	Status of compliance	Page No.	Comments
(1)		Any public communication including advertisements, publicity material and research reports (referred to as public communication) issued or made by the issuer or its associate company, or by the lead manager(s) or their associates or any other intermediary connected with the issue or their associates, shall contain only such information as contained in the draft offer document/offer document and shall comply with the following:	Complied with to the extent applicable and noted for compliance		In terms of Relaxation Circular 2, the Company may make use of advertisement in television channels, radio, internet etc. to disseminate information relating to the application process which may be in the form crawlers/tickers as well.
	(a)	it shall be truthful, fair and shall not be manipulative or deceptive or distorted and it shall not contain any statement, promise or forecast which is untrue or misleading			
	(b)	if it reproduces or purports to reproduce any information contained in the draft offer document or draft letter of offer or offer document, as the case may be, it shall reproduce such information in full and disclose			

		all relevant facts not to be restricted to select extracts relating to that information;			
	(c)	it shall be set forth in a clear, concise and understandable language;			
	(d)	it shall not include any issue slogans or brand names for the issue except the normal commercial name of the issuer or commercial brand names of its products already in use or disclosed in the draft offer document or draft letter of offer or offer document, as the case may be;			
	(e)	it shall not contain slogans, expletives or non-factual and unsubstantiated titles;			
	(f)	if it presents any financial data, data for the past three years shall also be included alongwith particulars relating to revenue, net profit, share capital, reserves / other equity (as the case may be), earnings per share, dividends and the book values, to the extent applicable;			
	(g)	issue advertisements shall not use technical, legal or complex language and excessive details which may distract the investor;			
	(h)	issue advertisements shall not contain statements which promise or guarantee rapid increase in revenue or profits;			
	(i)	issue advertisements shall not display models, celebrities, fictional characters, landmarks, caricatures or the likes;			
	(j)	issue advertisements on television shall not appear in the form of crawlers (advertisements which run simultaneously with the programme in a narrow strip at the bottom of the television screen) on television;			
	(k)	issue advertisements on television shall advise the viewers to refer to the draft offer document or offer document, as the case may be, for the risk factors;			
	(l)	an advertisement or research report containing highlights, shall advise the readers to refer to the risk factors and other disclosures in the draft offer document or the offer document, as			

		the case may be, for details in not less than point seven size;			
	(m)	an issue advertisement displayed on a billboard/banners shall contain information as specified in Part D of Schedule X;			
	(n)	an issue advertisement which contains highlights or information other than the details contained in the formats as specified in Schedule X shall prominently advise the viewers to refer to the draft offer document and offer document for details and risk factors.			
(2)		All public communications issued or published in any media during the period commencing from the date of the meeting of the board of directors of the issuer in which the public issue is approved till the date of filing draft offer document with the Board shall be consistent with its past practices:	Not applicable		
		Provided that where such public communication is not consistent with the past practices of the issuer, it shall be prominently displayed or announced in such public communication that the issuer is proposing to make a public issue of specified securities in the near future and is in the process of filing a draft offer document.	Not applicable		
(3)		All public communications issued or published in any media during the period commencing from the date of filing draft offer document or draft letter of offer till the date of allotment of securities offered in the issue, shall prominently disclose that the issuer is proposing to make a public issue or rights issue of the specified securities and has filed the draft offer document or the draft letter of offer or has filed the offer document or letter of offer, as the case may be, and that it is available on the websites of the Board, lead manager(s) and stock exchanges. Provided that requirements of this sub-regulation shall not be applicable in case of advertisements of products or services of the issuer.	Noted for compliance to the extent applicable		



(4)		The issuer shall make a prompt, true and fair disclosure of all material developments which take place between the date of filing offer document and the date of allotment of specified securities, which may have a material effect on the issuer, by issuing public notices in all the newspapers in which the issuer had released pre-issue advertisement under applicable provisions of these regulations;	Noted for compliance		
(5)		The issuer shall not, directly or indirectly, release, during any conference or at any other time, any material or information which is not contained in the offer document	Complied with and noted for compliance		
(6)		For all issue advertisements and public communications, the issuer shall obtain the approval from the lead manager(s) responsible for marketing the issue and shall also provide copies of all issue related materials to all lead manager(s).	Noted for compliance		
(7)		Any advertisement or research report issued/ made by the issuer/cause to be issued by the issuer or its associate company (as defined under the Companies Act, 2013), or by the lead manager(s) or their associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) or any other intermediary connected with the issue or their associates (as defined under Securities and Exchange Board of India (Intermediaries) Regulations, 2008) shall comply with the following:	Complied with and noted for compliance		In terms of Relaxation Circular 2, the Company may make use of advertisement in television channels, radio, internet etc. to disseminate information relating to the application process which may be in the form crawlers/tickers as well.
	(a)	it shall be truthful, fair and shall not be manipulative or deceptive or distorted and it shall not contain any statement, promise or forecast which is untrue or misleading;			
	(b)	if it reproduces or purports to reproduce any information contained in the draft an offer document or draft letter of offer or offer document, as the case may be, it shall reproduce such information in full and disclose all relevant facts not to be restricted to select extracts relating to that information;			



	(c)	it shall be set forth in a clear, concise and understandable language;			
	(d)	it shall not include any issue slogans or brand names for the issue except the normal commercial name of the issuer or commercial brand names of its products already in use or and disclosed in the draft offer document or draft letter of offer or offer document, as the case may be;			
	(e)	if it presents any financial data, data for the past three years shall also be included along with particulars relating to sales, gross profit, net profit, share capital, reserves, earnings per share, dividends and the book values, to the extent applicable;			
	(f)	no advertisement shall use extensive technical, legal terminology or complex language and excessive details which may distract the investor;			
	(g)	no issue advertisement shall contain statements which promise or guarantee rapid increase in profits;			
	(h)	no issue advertisement shall display models, celebrities, fictional characters, landmarks or caricatures or the likes;			
	(i)	no issue advertisement shall appear in the form of crawlers (the advertisements which run simultaneously with the programme in a narrow strip at the bottom of the television screen) on television;			
	(j)	in any issue advertisement on television screen, the risk factors shall not be scrolled on the television screen and the advertisement shall advise the viewers to refer to draft offer document or draft letter of offer or offer document, as the case may be, or other documents, the red herring prospectus or other offer document for details;			
	(k)	no issue advertisement shall contain slogans, expletives or non-factual and unsubstantiated titles;			
	(l)	if an advertisement or research report contains highlights, the advertisement or research report, as applicable, shall prominently advise the viewers to			

		refer to the draft offer document or draft letter of offer or offer document, as the case may be, for details contains highlights, it shall also contain risk factors with equal importance in all respects including print size of not less than point seven size;			
	(m)	an issue advertisement displayed on a billboard shall not contain information other than that specified in Part D of Schedule X ;			
	(n)	An issue advertisement which contains highlights or information other than the details contained in the format as specified in Schedule X shall prominently advise the viewers to refer to the offer document for details and risk factors.			
(8)		No public information with respect to the issue shall contain any offer of incentives, to the investors whether direct or indirect, in any manner, whether in cash or kind or services or otherwise.	Complied with and noted for compliance		
(9)		No advertisement relating to product or service provided by the issuer shall contain any reference, directly or indirectly, to the performance of the issuer during the period commencing from the date of the resolution of the board of directors of the issuer approving the public issue till the date of allotment of specified securities offered in such issue.	Complied with and noted for compliance		
(10)		No information which is extraneous to the information disclosed in the draft offer document or offer document, as the case may be, or otherwise, shall be given by the issuer or any member of the issue management team or syndicate to any particular section of the investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centres.	Noted for compliance		
(11)		The lead manager(s) shall submit a compliance certificate in the format specified in Part E of Schedule X for the period between the date of filing the draft offer document and the date of closure of the issue, in respect of	Noted for compliance		



		news reports appearing in any of the following media:			
	(a)	newspapers mentioned in these regulations;			
	(b)	print and electronic media controlled by a media group where the media group has a private treaty or shareholders' agreement with the issuer or promoters of the issuer.			
		Explanation: For the purpose of this schedule:			
	(I)	"public communication or publicity material" includes corporate, issue advertisements of the issuer, interviews by its promoters, directors, duly authorized employees or representatives of the issuer, documentaries about the issuer or its promoters, periodical reports and press releases.			
	(II)	Any advertisement issued by the issuer shall be considered to be misleading, if it contains:			
	(a)	Statements made about the performance or activities of the issuer without necessary explanatory or qualifying statements, which may give an exaggerated picture of such performance or activities.			



Date: 23.10.2021

To,

Securities and Exchange Board of India
Corporation Finance Department
Division of Issue and Listing
5th Floor, Bank of Baroda Building, 16
Sansad Marg, New Delhi- 110001

Dear Sir/Ma'am,

SUBJECT: CERTIFICATE CONFIRMING COMPLIANCE OF THE CONDITIONS SPECIFIED UNDER PART F OF SCHEDULE VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AS AMENDED (THE "SEBI ICDR REGULATIONS") FOR THE RIGHTS ISSUE OF MOHINDRA FASTENERS LIMITED (THE "COMPANY").

ISSUE OF 5,35,680 EQUITY SHARES WITH A FACE VALUE OF ₹ 10 EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[•] PER EQUITY SHARE) (THE "ISSUE PRICE") FOR AN AGGREGATE AMOUNT OF ₹ 4,82,11,200 CRORES ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [•] RIGHTS EQUITY SHARE(S) FOR EVERY [•] FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [•] (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [•] TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE [•] OF THE LETTER OF OFFER.

It is hereby certified that the Abridged Letter of Offer ("ALOF") shall contain information as is material and appropriate to enable investors to make an informed decision.

It is further certified that:

1. ALOF shall be printed in a booklet form of A4 size paper and, along with the application form.
2. The ALOF shall be printed in a font size which shall not be visually smaller than Times New Roman size 11 (or equivalent) with 1.0 line spacing.
3. The application form shall be so positioned that on the tearing-off of the application form, no part of the ALOF is mutilated.



INTELLICITY
CAPITAL ADVISERS

All capitalized terms used herein and not specifically defined shall have the same meanings ascribed to such terms in the ALOF.

Sincerely,

For Intellicity Capital Advisers Private Limited

Authorised Signatory

Name: Mr. Manoj Kumar Purbey

Designation: Director

Contact Number: +91-9350218303

Email: info@intellicitycapital.com

Place: New Delhi

Date: 23.10.2021

MSE/LIST/2021/1197

October 22, 2021

To,
The Company Secretary and Compliance Officer,
Mohindra Fasteners Limited
304, Gupta Arcade, Inder Enclave,
Delhi-Rohtak Road, Delhi,
New Delhi - 110087.

Sub: In-Principle approval under Regulation 28 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Dear Madam,

This is with reference to your application along with necessary documents and subsequent correspondences thereto for obtaining the in-principle approval for issue of total size of upto Rs. 4,82,11,200 of equity shares of Rs. 10/- (Rupees Ten) each issued at a premium of Rs. [●] per share i.e issue price of Rs. [●] on rights basis to the eligible equity shareholders of the company in the ratio of [●] rights equity shares for every [●] equity shares held by the eligible equity shareholders of the company on the record date. In this regards and having regards to documents submitted by you and representation made by you, the Exchange is pleased to grant an in-principle approval for the aforesaid issue subject to fulfilling the following conditions:-

1. Receipt of Statutory and other approvals and compliance of guidelines issued by the statutory authorities including SEBI, RBI, MCA etc.
2. Compliance with all the guidelines, regulations, directions of the Exchange or any statutory authorities, documentary requirements from time to time.
3. Compliance of Companies Act, 2013 & its rules thereunder and other applicable laws.
4. Compliance of all conditions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and its amendments thereof as on date of listing.
5. Compliance of all conditions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") and its amendments thereof as on date of listing.
6. Compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/94 dated August 19, 2019 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020.

Further, the Exchange reserves its right to withdraw its In-principle approval at any stage if it is found that the information submitted by the Company is incomplete/ incorrect/ misleading/ false or is contravening any of the rules, bye laws and regulations of the Exchange, provisions of the Listing Agreement, Listing Regulations, Guidelines/ Regulations issued by any statutory authorities etc.

Kindly note that the listing and trading approval pursuant to allotment of shares would be provided only after the Company complies with all the post issue formalities of the Exchange.

For and on behalf of
Metropolitan Stock Exchange of India Limited

Aasawari Maddolkar
Manager

Metropolitan Stock Exchange of India Limited

Registered Office: 205A, 2nd Floor, Piramal Agastya Corporate Park, Kamani Junction, LBS Road, Kurla (West), Mumbai - 400070.
Tel: +91-22-6112 9000 | customerservice@msei.in | www.msei.in | CIN: U65999MH2008PLC185856