DRAFT RED HERRING PROSPECTUS
Date: July 12, 2021
(The Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 32 of the Companies Act, 2013
Book Built Issue

SHRI BAJRANG POWER AND ISPAT LIMITED

Our Company was incorporated as 'Shri Bajrang Power and Ispat Limited' on July 25, 2002, at Gwalior as a public limited company under the Companies Act, 1956 and was granted a certificate of incorporation by the Registrar of Companies, Madhya Pradesh and Chhattisgarh. Our Company received the certificate for commencement of business dated February 5, 2004, issued by the Registrar of Companies, Madhya Pradesh and Chhattisgarh. For further details, see "History and Certain Corporate Matters" on page 180.

Registered Office: Village Borjhara, Guma Road, Urla Growth Centre, Raipur – 493 221, Chhattisgarh, India
Corporate Office: 808/A, C Wing, One BKC, G Block, Bandra-Kurla Complex, Mumbai 400 051, Maharashtra, India
Contact Person: Parul Verma, Company Secretary and Compliance Officer; **Telephone**: +91 771 4288019; **E-mail:** cs@goelgroup.co.in
Corporate Identity Number: U27106CT2002PLC015184; **Website:** www.sbpil.co.in

OUR PROMOTERS: SURESH GOEL, RAJENDRA GOEL, NARENDRA GOEL, ANAND GOEL, ATLANTA SECURITIES PRIVATE LIMITED ("ASPL") AND BANKA FINANCE & SECURITIES PRIVATE LIMITED ("BFSPL")

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") OF SHRI BAJRANG POWER AND ISPAT LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ 7,000 MILLION (THE "ISSUE"). THE ISSUE WILL CONSTITUTES [●]% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DETERMINED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), AND WILL BE ADVERTISED IN EDITIONS OF [●] AND EDITIONS OF [●] (WHICH ARE ENGLISH AND HINDI NATIONAL DAILY NEWSPAPERS, RESPECTIVELY, HINDI BEING THE REGIONAL LANGUAGE OF CHHATTISGARH, WHERE THE REGISTERED OFFICE OF OUR COMPANY IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank, as applicable.

The Issue is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**") read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**"). This Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are mandatorily required to participate in the Issue through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Account, which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"), or through the UPI Mechanism. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA Process. For details, see "*Issue Procedure*" on page 336.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Issue Price, Floor Price and Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 25.

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Issue, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and Section 32 of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Issue Closing Date, see "*Material Contracts and Documents for Inspection*" on page 381.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE
Equirus Capital Private Limited 12th Floor, C Wing, Marathon, Futurex, N M Joshi Marg Lower Parel, Mumbai – 400 013, Maharashtra, India **Telephone:** +91 22 4332 0700 **E-mail:** sbpil@equirus.com **Website:** www.equirus.com **Investor grievance e-mail:** investorsgrievance@equirus.com **Contact person:** Mrunal Jadhav/ Sagar Srivastava **SEBI registration number**: INM000011286	**SBI Capital Markets Limited** 202, Maker Tower 'E', Cuffe Parade Mumbai 400 005, Maharashtra, India **Telephone:** +91 22 2217 8300 **E-mail:** sbpil.ipo@sbicaps.com **Website:** www.sbicaps.com **Investor Grievance ID:** investor.relations@sbicaps.com **Contact Person:** Sambit Rath/Janardhan Wagle **SEBI Registration Number**: MB/INM000003531	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park, Lal Bhadur Shastri Marg Vikhroli (West), Mumbai 400 083, Maharashtra, India **Telephone:** +91 22 49186200 **Email:** bajrang.ipo@linkintime.co.in **Investor grievance e-mail:** bajrang.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI registration number:** INR000004058

BID/ ISSUE PROGRAMME

BID/ ISSUE OPENS ON	[●]*	**BID/ ISSUE CLOSES ON**	[●]**

* *Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.*

** *Our Company may, in consultation with the BRLMs, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

[Page intentionally left blank]

CONTENTS

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act or regulation, rules, guidelines or policies, as amended, updated, supplemented or re-enacted, or clarifications provided from time to time, and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provisions.

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

The terms not defined herein but used in the sections entitled "*Statements of Possible Tax Benefits*", "*Industry Overview*", "*Key Regulations and Policies*", "*History and Certain Corporate Matters*", "*Financial Statements*", "*Outstanding Litigation and Material Developments*", "*Issue Procedure*" and "*Description of Equity Shares and Terms of the Articles of Association*" on pages 103, 106, 175, 180, 230, 307, 336 and 356, respectively, shall have the meanings ascribed to such terms in such sections.

General Terms

Term	Description
"our Company", "the Company" or "the Issuer"	Shri Bajrang Power and Ispat Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Village Borjhara, Guma Road, Urla Growth Center, Raipur-493 221, Chhattisgarh, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, our Company, together with our Subsidiaries (as defined below) and Joint Venture, on a consolidated basis.

Company Related Terms

Term	Description
Articles of Association or AoA	Articles of association of our Company, as amended from time to time.
ASPL	Atlanta Securities Private Limited
Audit Committee	The audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management*" on page 192.
Auditors/Statutory Auditors	The statutory auditors of our Company, being S S S D & Co, Chartered Accountants.
BFSPL	Banka Finance & Securities Private Limited.
Board/Board of Directors	The board of directors of our Company or a duly constituted committee thereof.
Chief Financial Officer/ CFO	Chief financial officer of our Company being Sandeep Goel.
Corporate Office	The corporate office of our Company situated at 808/A, C Wing, One BKC, G Block, Bandra-Kurla Complex, Mumbai 400 051, Maharashtra, India.
Corporate Promoters	Atlanta Securities Private Limited and Banka Finance & Securities Private Limited.
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in "*Our Management*" on page 192.
Director(s)	The director(s) on the Board of our Company, unless otherwise specified.
Equity Shares	Equity shares of our Company of face value of ₹10 each
ESOP 2021	The employee stock option plan of our Company, namely 'SBPIL Employees Stock Option Plan 2021'.
Executive Directors	Executive directors of our Company.
Group Companies	The group companies of our Company in accordance with the SEBI ICDR Regulations. For details, see "*Our Group Companies*" on page 220.
IAHEPL	IA. Hydro Energy Private Limited
Independent Directors	Independent director(s) of our Company.

Term	Description
Individual Promoters	Suresh Goel, Rajendra Goel, Narendra Goel and Anand Goel
IPO Committee	The committee constituted by our Board for the Issue, as described in "*Our Management*" on page 192.
IRR Report	Industry report entitled "Overview of Steel Sector in India" dated June 24, 2021 issued by IRR Advisory Services Private Limited and commissioned by our Company for an agreed fee.
Joint Venture	Joint Venture of our Company, namely, Chhattisgarh Captive Coal Mining Private Limited
Key Management Personnel/ KMP	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as described in "*Our Management*" on page 192.
Materiality Policy	The policy adopted by our Board on June 15, 2021, for identification of material (a) outstanding litigation proceedings; (b) group companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus
Memorandum of Association or MoA	Memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in "*Our Management*" on page 192.
Non-executive Directors	Non-executive director(s) of our Company
Promoters	Collectively, Individual Promoters and Corporate Promoters.
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details of our Company's Promoter Group, see "*Our Promoters and Promoter Group*" on page 212.
Registered Office	The registered office of our Company located at Village Borjhara, Guma Road, Urla Growth Center, Raipur - 493 221, Chhattisgarh.
Registrar of Companies/ RoC	Registrar of Companies, Bilaspur, Chhattisgarh.
Restated Financial Statements/ Restated Financial Information	The restated consolidated financial statements of our Company and Subsidiaries namely Shri Bajrang Energy Private Limited, IA. Hydro Energy Private Limited, and Shri Bajrang Steel Corporate Limited, our Joint Venture, Chhattisgarh Captive Coal Mining Private Limited and partnership firm, SB Power comprises of the restated consolidated Ind AS summary statements of assets and liabilities, the restated consolidated Ind AS summary statement of profits and losses (including other comprehensive income), restated consolidated Ind AS summary statement of cash flows and restated consolidated Ind AS summary statement of changes in equity, the consolidated summary statement of significant accounting policies, and other explanatory information, together with the annexures and notes thereto, and the examination report thereon, prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI.
SB Power	SB Power a partnership firm under the Indian Partnership Act, 1932 between our Company and Shri Bajrang Energy Private Limited.
Scheme/ Scheme of Amalgamation	Scheme of amalgamation between our Company and Shri Bajrang Metallics & Power Limited approved by the High Court of Chhattisgarh, by an order dated November 14, 2011 and as described in "*History and Certain Corporate Matters – Scheme of Amalgamation between our Company and Shri Bajrang Metallics &Power Limited*" on page 185.
Shareholders	Equity shareholders of our Company.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in "*Our Management*" on page 192
Subsidiaries	Subsidiaries of our Company, namely, Shri Bajrang Energy Private Limited, IA. Hydro Energy Private Limited and Shri Bajrang Steel Corporate Limited.
Unit I	Our Company's manufacturing unit at Borjhara, Raipur
Unit II	Our Company's manufacturing unit at Gondawara, Raipur
Unit III	Our Company's manufacturing unit at Tilda, Raipur

Issue Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue to the successful Bidders.
Allotment Advice	Advice or intimation of Allotment sent to the Bidders who have bidded in the Issue after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLMs.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bid/Issue Period	The day, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	Final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLMs.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bid/ Issue Period, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations.
Application Supported by Blocked Amount or ASBA	Application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include applications made by RIBs using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism.
ASBA Account	Bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a RIB which is blocked upon acceptance of a UPI Mandate Request made by the RIB using the UPI Mechanism.
ASBA Bid	A Bid made by an ASBA Bidder.
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Issue/Escrow Collection Bank(s)	Collectively, Escrow Collection Bank(s), Public Issue Account Bank(s), Sponsor Bank(s) and Refund Bank(s), as the case may be.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue and which is described in "*Issue Structure*" on page 333.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than

Term	Description
	Anchor Investor) pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/ Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Red Herring Prospectus and Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares in the multiples of [●] Equity Shares thereafter.
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●] (Hindi being the regional language of Chhattisgarh, where our Registered Office is located), each with wide circulation, respectively. In case of any revisions, the extended Bid / Issue Closing Date shall also be notified on the websites and terminals of the Members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●] (Hindi being the regional language of Chhattisgarh, where our Registered Office is located), each with wide circulation, respectively
Bid/Issue Period	Except in relation to Anchor Investors, the period between the Bid / Issue Opening Date and the Bid / Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors Our Company may in consultation with the BRLMs, consider closing the Bid / Issue Period for the QIB Category one Working Day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centers	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Managers/ BRLMs	The book running lead managers to the Issue, namely, Equirus Capital Private Limited and SBI Capital Markets Limited.
Broker Centres	Centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Issue Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted.

Term	Description
Cash Escrow and Sponsor Bank Agreement	Agreement to be entered amongst our Company, the BRLMs, the Bankers to the Issue and Registrar to the Issue for, *inter alia*, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time
Cut-off Price	The Issue Price, finalised by our Company in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account and funds blocked by the SCSBs and Sponsor Bank are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Red Herring Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs (excluding Anchor Investors) and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated July 12, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an Issue / invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares

Term	Description
	offered thereby.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue rand in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.
Equirus	Equirus Capital Private Limited
Escrow Account	Account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding ASBA Bidders) will transfer money through NACH/ direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	Bank(s) which are clearing members and registered with SEBI as banker(s) to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account will be opened, in this case being [●].
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	Lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs.
Issue	The public issue of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each, aggregating up to ₹ 7,000.00 million.
Issue Agreement	The agreement dated July 12, 2021 amongst our Company and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which the Equity Shares will be Allotted to Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLMs, on the Pricing Date. Unless otherwise stated or the context otherwise implies, the term Issue Price refers to the Issue Price applicable to investors other than Anchor Investors.
Issue Proceeds	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see "*Objects of the Issue*" on page 90.
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement to be entered into between our Company and the Monitoring Agency, as applicable
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares which shall be available for allocation to Mutual Funds only, subject to valid Bids being received at or above the Issue Price.
Net Proceeds	The proceeds of the Issue less Issue related expenses. For further information about use of the Issue Proceeds and the Issue expenses, see "*Objects of the Issue*" on page 90.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Bidder/NIBs	Bidders that are not QIBs or Retail Individual Bidders and who have Bid for the Equity Shares for an amount more than ₹ 200,000.
Non-Institutional Portion	The portion of the Net Issue being not more than 15% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Non-Resident	Person resident outside India, as defined under FEMA.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof.

Term	Description
	The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLMs, and will be advertised, at least two Working Days prior to the Bid/Issue Opening Date, which shall be notified in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●] (Hindi being the regional language of Chhattisgarh, where our Registered Office is located), each with wide circulation, respectively.
Pricing Date	The date on which our Company in consultation with the BRLMs, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto
Public Issue Account(s)	Account opened with the Public Issue Bank to receive monies from the Escrow Account(s) and to which the funds shall be transferred by the SCSBs from the ASBA Accounts of the successful Allottees, on or after the Designated Date.
Public Issue Account Bank	Bank with whom the Public Issue Account for collection of bidding amount from Escrow Account(s) and ASBA Accounts of the successful Allottees opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●].
QIB Portion	The portion of the Issue (including the Anchor Investor Portion) being not more than 50% of the Issue consisting of [●] Equity Shares which shall be Allotted to QIBs (including Anchor Investors) subject to valid Bids being received at or above the Issue Price.
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	Red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Issue Price and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount shall be made.
Refund Bank(s)	Banker(s) to the Issue and with whom the Refund Account will be opened, in this case being [●]
Registered Brokers	Stock brokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI.
Registrar Agreement	Agreement dated July 12, 2021 entered into among our Company, the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar to the Issue/Registrar	Link Intime India Private Limited
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars.
Retail Individual Bidder(s)/ /RIB(s)/Retail Individual Investor/RII	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs).
Retail Portion	Portion of the Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Issue Price).
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as

Term	Description
	applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/Issue Closing Date.
SBICAP	SBI Capital Markets Limited
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Form from Bidders.
Sponsor Bank	[●], being a Banker to the Issue, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Stock Exchanges	Collectively, the NSE & the BSE
Syndicate Agreement	The agreement to be entered into among the BRLMs, the Syndicate Members and our Company in relation to collection of Bid cum Application Forms by Syndicate.
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Syndicate/Members of Syndicate	The BRLMs and the Syndicate Members.
Systemically Important Non- Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] among the Underwriters and our Company to be entered into on or after the Pricing Date.
UPI	Unified payments interface, which is an instant payment mechanism, developed by NPCI
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard.

Term	Description
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RIB in accordance with the UPI Circulars to make an ASBA Bid in the Issue
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	A company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI
Working Day	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI

Technical/Industry Related Terms

Term	Description
ACCIL	Asian Colour Coated Ispat Limited
ADD	Anti-Dumping Duty
AMRUT	Mission for Rejuvenation and Urban Transformation
ANSPL	Arcelormittal Nippon Steel India Limited
B&C	Building and Construction
BF	Blast Furnace
BOF	Basic Oxygen Furnace
CEEW	Council on Energy, Environment and Water
CFR	Cost and Freight
CMIE	Centre for Monitoring Indian Economy
CNA	Central Nodal Agencies
CR	Cold Rolled Coil
CTD	Cold Twisted Deformed
CVD	Counter-Veiling Duty
DFC	Dedicated Freight Corridors
DFCCIL	Dedicated Freight Corridor Corporation of India Ltd
DFI	Development Finance Institutions
DPIIT	Department for Promotion of Industry and Internal Trade Policy
E&P	Exploration and Production
EAF	Electric Arc Furnace
ERW	Electric Resistance Welded
FAME	Faster Adoption and Manufacturing of (Hybrid&) Electric Vehicles in India
GFCE	Government Final Consumption Expenditure
GFCF	Gross Fixed Capital Formation
GP	Pre Galvanized pipes
GST	Goods and Service tax
HB Wire	Hard Bright Wire
HRC	Hot Rolled Coil
HSAW	Helical Submerged Arc Welding
IBEF	India Brand Equity Foundation
IIP	Index of Industrial Production
Ind-Ra	India Ratings and Research
Invit	Infrastructure Investment Trusts

Term	Description
JPC	Joint Plant Committee
JSL	Jindal Steel Limited
JSPL	Jindal Steel and Power Limited
JSWSCPL	JSW Steel Coated Products Limited
JSWSL	JSW Steel Limited
LDT	Light Displacement Tonne
MNT	Million Tonnes
MoR	Ministry of Railways
MSME	Ministry of Micro, Small & Medium Enterprises
MT	Million Tonne
MTPA	Million Tonne Per Annum
NEMMP	National Electric Mobility Mission Plan
NHAI	National Highway Authority of India
NIP	National Infrastructure Pipeline
NSP	National Steel Policy
OEMs	Original Equipment Manufacturers
PFCE	Private final consumption expenditure
PGCIL	Power Grid Corporation of India Limited
PLI	Production Linked Incentive
PMAY	Pradhan Mantri Awas Yojana
PMGSY	Pradhan Mantri Gram Sadak Yojana
PMI	Purchasing Managers' Index
PMSPL	Posco Maharashtra Steel Private Limited
PPP	Public Private Partnership
PV	Private Vehicles
REITs	Real Estate Infrastructure Trusts
RINL	Rashtriya Ispat Nigam Limited
SAIL	Steel Authority of India
SAW	Submerged Arc Welding
SCP	Smart City Proposals
SPV	Special purpose vehicle
TISCO	Tata Iron and Steel Company
TMT	Thermo Mechanical Treatment
TN	Trillion
TPA	Tonne per annum
TSBSL	Tata Steel Bhushan Steel Limited
TSL	Tata Steel Limited
WEO	World Economic Outlook
WSA	World Steel Association

Conventional Terms/Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AIF(s)	Alternative Investment Fund.
Air Act	Air (Prevention and Control of Pollution) Act, 1981
Bn/bn	Billion
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations.
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations.
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations.
CDSL	Central Depository Services (India) Limited
Companies Act	Companies Act, 1956 and the Companies Act, 2013, as applicable

Term	Description
Companies Act, 1956	Companies Act, 1956, along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, along with the relevant rules made thereunder
Consolidated FDI Policy/ FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
COVID-19/ Coronavirus	A public health emergency of international concern as declared by World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
CSR	Corporate social responsibility
Category I FPI	FPIs who are registered with SEBI as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II FPI	FPIs who are registered with SEBI as "Category II foreign portfolio investors" under the SEBI FPI Regulations.
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996, as amended
DIN	Director Identification Number
DP ID	Depository Participant's Identification
EGM	Extraordinary General Meeting
EPS	Earnings per share
Factories Act	Factories Act, 1948
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
Financial Year/Fiscal//fiscal/ Fiscal Year/FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FDI	Foreign Direct Investment
FPI(s)	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations.
GDP	Gross Domestic Product
GoI/ Government/ Central Government	Government of India
ICAI	The Institute of Chartered Accountants of India
Income Tax Act/ IT Act	Income Tax Act, 1961
Ind AS	Indian Accounting Standards
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IST	Indian Standard Time
MCA	Ministry of Corporate Affairs, Government of India
Mn/mn	Million
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A./NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NRI	Individual resident outside India, who is citizen of India.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/Overseas Corporate Body	An entity de-recognised through Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. OCBs are not allowed to invest in the Issue
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number

Term	Description
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Securities Act	U.S. Securities Act of 1933, as amended
State Government	The government of a state in India
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
UAE	United Arab Emirates
UK	United Kingdom
U.S./USA/United States	United States of America
USD/US$	United States Dollars
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

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

Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to Republic of India. All references to the "Government", "Indian Government", "GOI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information. Certain additional financial information pertaining to our Group Companies is derived from their respective financial statements. The Restated Financial Information included in this Draft Red Herring Prospectus includes the restated consolidated Ind AS summary statements of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 and restated consolidated Ind AS summary statement of profits and losses (including other comprehensive income), restated consolidated Ind AS summary statement of cash flows and restated consolidated Ind AS summary statement of changes in equity, the consolidated summary statement of significant accounting policies, and other explanatory information, and the examination report thereon, prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI.

Our Restated Financial Information have been prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations, as amended from time to time, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. For further information on our Company's financial information, see "*Financial Statements*" on page 230.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such 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.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Draft Red Herring Prospectus are to a calendar year.

Non-GAAP Measures

In evaluating our business, we consider and use non-GAAP financial measures such as EBITDA, EBITDA Margin, return on capital employed, net debt-to-equity ratio and net debt-to-EBITDA ratio to review and assess our operating performance. These non-GAAP financial measures are not defined under Ind AS and are not presented in accordance with Ind AS. They may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. We have included these non-GAAP financial measures because we believe they are indicative measures of our operating performance and are used by investors and analysts to evaluate companies in the same industry. These non-GAAP financial measures should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with Ind AS. These measures should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability, or results of operations. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the Restated Financial Information.

Currency and Units of Presentation

All references to:

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

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Exchange Rates

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

The exchange rates of USD and EURO into Indian Rupees for the periods indicated are provided below:

Currency[#]	**Exchange rate as on**		
	March 31, 2021	**March 31, 2020**	**March 31, 2019**
1 USD	73.50	75.38	69.17
1 EURO	86.10	83.05	77.70

[#]Source: www.fbil.org.in.

Note: In the event that March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.

Industry and Market Data

For the purpose of confirming our understanding of the industry in connection with the Issue, our Company has commissioned and paid for a report titled "*Overview of Steel Sector in India*" dated June 24, 2021 (the "**IRR Report**") prepared by IRR Advisory Services Private Limited. Disclaimer of IRR

*"The independent market research study "Overview of Steel Sector in India" (the "**Report**") has been prepared for the proposed initial public offering of equity shares by Shri Bajrang Power and Ispat Limited (the "Company"). The study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by IRR Advisory Services Private Limited ("IRR") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.*

IRR has prepared the Report in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. IRR believes that the Report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged. Forecasts, estimates, predictions, and other forward-looking statements contained in the Report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

In making any decision regarding the Offer, potential investors should conduct their own investigation and analysis of all facts and information contained in the offer documents in which extracts, in full or part of the Report are included and must rely on their own examination of the Company and the terms of the Offer. Potential *investors should not construe any of the contents in the Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the Offer.”*

Aside from the above, unless otherwise stated, industry and market data used throughout this Draft Red Herring Prospectus has been obtained from publicly available sources. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we consider that the industry and market data used in this Draft Red Herring Prospectus is reliable, such data has not been independently verified by us, the BRLMs, or any of our or their respective affiliates or advisors, and none of these parties makes any representation as to the accuracy of this information. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader’s familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors - Industry information included in this Draft Red Herring Prospectus has been derived from an industry report commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.*” on page 46.

In accordance with the SEBI ICDR Regulations, the section “*Basis for Issue Price*” on page 100 includes information relating to our peer group companies. Such information has been derived from publicly available sources and neither we, nor the BRLMs or any of our or their respective affiliates, have independently verified such information. Accordingly, no investment decision should be made solely on the basis of such information.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 25, 152 and 278, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts based on or derived from our Restated Financial Information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "goal", "believe", "expect", "estimate", "intend", "objective", "plan", "seek", "propose", "project", "will", "going forward", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward- looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements regarding our expected financial conditions, results of operations, business plans and projects are 'forward – looking statement'. All statements in this Draft Red herring Prospectus that are not statements of historical fact are 'forward – looking statements'.

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the industry in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy and receipt of required regulatory approvals, our growth and expansion, 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 domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Volatility in the demand and pricing in the steel industry and the cyclical nature of the industries it serves;
- Availability of coal, iron ore and other raw materials for our operations at competitive prices and in a timely manner;
- Continuing impact of the outbreak of the COVID-19;
- Our ability to recover the mineral reserves of the mines to which we have access;
- Our inability to expand or effectively manage our service providers including our distributors and dealers, or any disruptions in our distribution and dealer network may have an adverse effect on our business, results of operations and financial condition;
- Inability to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business;
- Government policy, changes in laws and regulations and adverse outcome in any legal proceedings involving us;
- Unexpected loss, shutdown or slowdown of operations at any of our manufacturing Units; and
- Developments in the competitive environment in the steel industry, such as consolidation among our competitors.

For further discussion on factors that could cause actual results to differ from expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 25, 152 and 278, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, Promoter, Directors, the BRLMs nor any of their respective officers or affiliates have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the regulatory requirements, our Company and the BRLMs will ensure that the investors are informed of material developments from the date of filing of the Red Herring Prospectus with the RoC until the time of grant of listing and trading permission by the Stock Exchanges.

SUMMARY OF THIS OFFER DOCUMENT

The following is a general summary of the terms of the Issue included in this Draft Red herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "Risk Factors", "The Issue", "Capital Structure", "Objects of the Issue", "Industry Overview", "Our Business", "Our Promoters and Promoter Group", "Financial Statements", "Outstanding Litigation and Other Material Developments" and "Issue Procedure" on pages 25, 54, 68, 90, 106, 152, 212, 230, 307, and 336, respectively of this Draft Red Herring Prospectus.

Primary business of our Company

Shri Bajrang Power and Ispat Limited ("**SBPIL**") has emerged as one of the leading integrated steel companies based out of central India and is one of the top 10 players in India in terms of capacity for iron ore pellets, iron ore beneficiation and sponge iron. *(source: IRR Report)* We utilize our captive iron mine with an approval to mine 1.2 MTPA and manganese ore mines to manufacture intermediate and long steel products, such as, TMT Bars, ERW pipes manufactured through tubular section mill ("**ERW Pipes**"), wire rods, HB wires including binding wires, ferro alloys, steel billets, iron pellets and sponge iron. We have a consistent track record of delivering operating profitability, and since Fiscal 2005, we have remained profitable in each of the Fiscal. For further details, see "*Our Business*" on page 152.

Industry in which our Company operates (Source: IRR Report)

Steel has contributed immensely towards India's economic growth. This is evident from the similar growth patterns of India's GDP and steel consumption in the country, which also highlights the economy's dependence on steel. A gradual expansion in GDP and rise in income has led to robust growth in auto, consumer durables, railways, affordable housing, and rural housing along with low base effect of Fiscal 2017 (demonetisation). As the backbone of the economy, the steel sector continues to play a pivotal role in India's journey towards the ambitious target to achieve a ₹371.0tn economy goal by Fiscal 2025. Despite unprecedented challenges due to Covid-19 and subsequent lockdowns, the government's vision of ramping up steelmaking capacity to 300mn tonnes by 2030 remains unaltered.

For further details, see "*Industry Overview*" on page 106.

Name of Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters are Suresh Goel, Rajendra Goel, Narendra Goel, Anand Goel, Atlanta Securities Private Limited and Banka Finance & Securities Private Limited. For further details, see "*Our Promoters and Promoter Group*" on page 212.

Issue Size

Issue	**Up to [●] Equity Shares, aggregating up to ₹ 7,000.00 million***

** The Issue has been authorized by a resolution of our Board of Directors dated June 15, 2021 and by a special resolution of our Shareholders dated June 18, 2021.*

The Issue shall constitute [●]% of the post-Issue paid up equity share capital of our Company. For further details, see "*The Issue*" and "*Issue Structure*" on pages 54 and 333, respectively.

Objects of the Issue

The details regarding the use of the Net Proceeds is set forth below:

Details of the objects	**Amount *(in ₹ million)***
Repayment and/or pre-payment, in full and/or in part, of certain borrowings availed by our Company	4,000.00
Funding incremental working capital requirements of our Company	1,200.00
General corporate purposes*	[●]
Net Proceeds	**[●]**

** To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The aggregate amount to be utilised for general corporate purposes shall not exceed 25% of the Net Proceeds of the Issue.*

For further details, see "*Objects of the Issue*" on page 90.

Aggregate pre-Issue shareholding of the Promoters and the members of the Promoter Group

The aggregate pre-Issue shareholding of our Promoters and members of the Promoter Group as on the date of this Draft Red Herring Prospectus is set forth below:

Sr. No.	Name of the Shareholder	Number of Equity Shares held	Percentage (%) of the pre-Issue paid-up Equity Share Capital
A.	**Promoter**		
1.	Suresh Goel	Nil	Nil
2.	Rajendra Goel	507,500	0.97
3.	Narendra Goel	560,500	1.07
4.	Anand Goel	674,850	1.29
5.	Atlanta Securities Private Limited	8,158,000	15.60
6.	Banka Finance & Securities Private Limited	8,313,524	15.90
	Sub-Total (A)	**18,214,374**	**34.84**
B.	**Promoter Group**		
1.	Pawan Goel	3,272,925	6.26
2.	Sukanya Mercandise Private Limited	2,897,016	5.54
3.	Bonus Dealcom Private Limited	2,869,200	5.49
4.	Shri Bajrang Alliance Limited	2,521,000	4.82
5.	Popular Mercantile Private Limited	2,268,000	4.34
6.	Sarla Goel	2,091,075	4.00
7.	Priority Constructions Private Limited	2,162,312	4.14
8.	Ashutosh Goel	1,058,800	2.03
9.	S.B. Multimedia Private Limited	1,040,000	1.99
10.	Aayush Goel	1,016,400	1.94
11.	Archit Goel	1,010,400	1.93
12.	Bajrang Goel	767,600	1.47
13.	Narendra Goel & Sons (HUF)	680,400	1.30
14.	Rajendra Goel & Sons (HUF)	680,400	1.30
15.	Jainarayan Hariram Goel & Sons (HUF)	680,000	1.30
16.	Suresh Goel & Sons (HUF)	680,400	1.30
17.	Anand Goel & Sons (HUF)	660,400	1.26
18.	Neeta Goel	656,800	1.26
19.	Kiran Goel	636,800	1.22
20.	Aruna Goel	634,000	1.21
21.	Sandeep Goel & Sons (HUF)	600,400	1.15
22.	Dinesh Goel & Sons (HUF)	600,400	1.15
23.	Sandeep Goel	573,950	1.10
24.	Shri Bajarang Ispat and Plywood Limited	234,668	0.45
25.	Shimmer Investments Private Limited	212,000	0.41
26.	Swastik Mercantiles Limited	180,000	0.34
27.	Dinesh Goel	28,000	0.05
28.	Bajrang Goel & Sons (HUF)	400	Negligible
29.	Pawan Goel & Sons (HUF)	400	Negligible
	Sub – Total (B)	**30,714,146**	**58.74**
	Total (A+B)	**48,928,520**	**93.58**

Summary of Restated Financial Information

The following information has been derived from our Restated Financial Information as at and for the last three

Fiscals:

(in ₹ million, except per share data)

Particulars	Fiscal		
	2021	**2020**	**2019**
Equity Share Capital	522.85	522.85	522.85
Total Equity	11,549.21	8,425.37	6,967.80
Total Revenue	30,643.32	26,788.21	26,996.19
Net Profit after tax	2986.32	1,411.26	2,374.69
Earnings per share (Basic)	57.30	26.87	45.39
Earnings per share (Diluted)	57.30	26.87	45.39
Net Asset Value per Equity Share	218.75	159.00	131.13
Total Borrowings	12,682.27	12,346.04	11,835.60

For further details, see "*Financial Statements*" on page 230.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Statements

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Information.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Other Material Developments*" in terms of the SEBI ICDR Regulations is provided below:

Nature of Cases	Number of Cases	Amount Involved* *(in ₹ million)*
Proceedings involving our Company		
Criminal	4	16.80
Tax	18	657.80
Other pending litigations	11	332.63
Proceedings involving our Directors		
Criminal	1	Nil
Tax**	2	12.72
Other pending litigations	2	12.81
Proceedings involving our Promoters		
Criminal	1	Nil
Tax**	2	12.72
Other pending litigations	1	Nil
Proceedings involving our Subsidiaries		
Criminal	1	5.00
Tax	1	789.77
Other pending litigations	4	504.63

**To the extent quantifiable.*
***In this case Rajendra Goel, one of the Individual Promoter and Executive Director is one of the parties along with our Company.*

For further details, see "*Outstanding Litigation and Other Material Developments*" on page 307.

Material litigation involving our group companies

Our Group Companies are not party to any pending litigation which will have any material impact on our Company.

Risk Factors

For details in relation to certain risks applicable to us, see "*Risk Factors*" on page 25.

Summary of commitment and contingent liability

As at March 31, 2021, following are the capital commitment and contingent liabilities in the Restated Financial Information:

Particulars	As at March 31, 2021 (₹ in million)
Claims against the group/ disputed tax liabilities not acknowledge as debt	1,447.61
Bank guarantee outstanding	384.49
Discounted letter of credit and guarantee	216.93
Jointly and severally corporate guarantee to the bank on behalf of subsidiary company	2,250.00
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,251.68
Total	**5,550.71**

For further information on such contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, see "*Financial Statements*" on page 230.

Summary of related party transactions

The summary of the related party transactions entered into by our Company with related parties is set forth below:

(in ₹ million)

Particulars		Fiscals		
Nature of transaction	**Related parties with whom transactions have taken place**	**2021**	**2020**	**2019**
Purchase of Materials	Shri Bajrang Alliance Limited	86.61	94.42	76.73
	IA. Hydro Energy Private Limited	1.13	1.43	0.84
	Shri Bajrang Energy Private Limited	-	1.96	7.20
	Narendra Goel (Dolomite Mines)	2.58	0.43	0.90
	Shimmer Investment Private Limited	734.80	1,044.28	1.78
	Shri Bajarang Ispat and Plywood Limited	15.84	8.40	1.78
	Shri Bajrang Agro Processing Limited	-	2.21	-
Purchase of Fixed Assets	Shri Bajrang Alliance Limited	0.49	-	-
	IA. Hydro Energy Private Limited	4.47	4.40	2.40
Sale of Materials	Shri Bajrang Alliance Limited	436.49	593.82	594.34
	Shri Jainarayan Hariram Goel Charitable Trust	0.91	0.29	4.37
	IA. Hydro Energy Private Limited	1.97	2.51	0.64
	Shri Bajrang Steel Corporate Limited	0.03	-	-
	S.B. Multimedia Private Limited	0.01	-	1.09
	Shravan Kumar Goyal	-	0.54	0.31
	Shri Bajrang Commodity	2.35	-	-
	Shri Bajrang Agro Processing Limited	-	10.36	-
Interest Expense	Banka Finance & Securities Private Limited	1.96	16.45	22.75
	Shimmer Investment Private Limited.	17.27	1.62	8.11
	Shri Bajarang Ispat and Plywood Limited	12.13	0.04	-
	S.B. Multimedia Private Limited	0.67	7.41	7.91
	Atlanta Securities Private limited	0.29	0.61	-
Interest Income	Shri Bajarang Ispat and Plywood Limited	11.63	6.62	6.25
	IA. Hydro Energy Private Limited	-	-	20.12
	S.B. Power	6.22	-	2.08
	Shri Bajrang Energy Private Limited	0.13	-	-
	Shimmer Investments Private limited	-	-	0.40
	Shri Bajrang Alliance Limited	10.27	6.35	-

Particulars		Fiscals		
Nature of transaction	Related parties with whom transactions have taken place	2021	2020	2019
	Shri Bajrang Agro Processing Limited	0.14	1.45	-
Service Received	S.B. Multimedia Private limited	150.00	96.00	120.00
	Shravan Kumar Goyal	0.05	-	-
	Ayush Goel	-	-	2.00
Service Provided	Shri Bajrang Alliance Limited	-	0.20	-
Remuneration Paid	Narendra Goel	10.40	9.60	4.03
	Rajendra Goel	10.40	9.60	3.73
	Anand Goel	10.40	9.60	2.77
	Suresh Goel	10.40	9.60	3.47
	Pawan Goel	6.50	6.00	2.46
	Sandeep Goel	7.80	7.20	3.51
	Ashutosh Goel	6.50	6.00	2.76
	Bajrang Goel	6.50	6.00	1.90
	Suman Goel	3.32	3.06	1.80
	Sarla Goel	3.32	3.06	1.05
	Shimmer Goel	3.90	3.60	1.22
	Aruna Goel	3.32	3.06	1.05
	Neeta Goel	3.32	3.06	1.05
	Kiran Goel	3.32	3.06	1.80
	Aayush Goel	6.50	6.00	2.76
	Anjali Goel	3.32	3.06	2.04
	Ankita Goel	3.32	3.06	2.16
	Akanksha Goel	3.19	-	-
	Avaneesh Goel	3.19	-	-
	Pranav Goel	1.95	-	-
	Parul Verma	0.68	0.69	0.58
	Shravan Kumar Goyal	2.50	2.45	2.08

For details of the related party transactions and as reported in the Restated Financial Statements, see "*Financial Statements – Related Party Disclosures*" on page 263.

Financing Arrangement

There have been no financing arrangements whereby the Promoters, members of the Promoter Group, the directors of the corporate Promoter, the Directors and their relatives (as defined in Companies Act, 2013) have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which the Equity Shares were acquired by our Promoters in the last one year

Except the transfer of 46,450 Equity Shares and 132,500 Equity Shares by way of gift to Anand Goel and Narendra Goel, respectively on April 9, 2021 from Sandeeep Goel and Rajendra Goel, respectively, no Equity Shares were acquired by our Promoters, within one year preceding the date of this Draft Red Herring Prospectus. Therefore, weighted average price at which the Equity Shares were acquired by Anand Goel and Narendra Goel, our Individual Promoters in the last one year is nil.

Average cost of acquisition of the Equity Shares by the Promoters

The average cost of acquisition per Equity Share by our Promoters as on the date of this Draft Red Herring Prospectus is set forth below:

Name	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)
Rajendra Goel	507,500	4.99

Name	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)
Narendra Goel	560,500	1.91
Anand Goel	674,850	2.39
Atlanta Securities Private Limited	8,158,000	3.95
Banka Finance & Securities Private Limited	8,313,524	16.73

** As certified by S S S D & Co, Statutory Auditors, pursuant to certificate dated July 12, 2021.*

For further details of the average cost of acquisition our Promoters, see "*Capital Structure – Build-up of the Promoters' shareholding in our Company*" on page 74.

Details of pre-IPO Placement

Our Company is not contemplating any Pre-IPO Placement.

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 Red Herring Prospectus.

Split or consolidation of Equity Shares in the last one year

There has been no split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

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 Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See section "Forward-Looking Statements" on page 17.

To obtain a complete understanding, prospective investors should read this section in conjunction with the sections "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 152, 106 and 278, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report "Overview of Steel Sector in India" dated June 24, 2021 prepared and issued by IRR Advisory Services Private Limited. Neither we, nor any of the BRLMs, nor any other person connected with the Issue has verified any information in these Industry Reports. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2021, 2020, and 2019 included herein is derived from on our Restated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Information" on page 230.

In this section, any reference to the "Company" refers to Shri Bajrang Power and Ispat Limited on an unconsolidated basis. In this section, any reference to "we", "us" or "our" refers to Shri Bajrang Power and Ispat Limited and its Subsidiaries on a consolidated basis.

1. *The demand and pricing in steel industry is volatile and is sensitive to the cyclical nature of the industries it serves. A decrease in steel prices may have a material adverse effect on our business, results of operations, prospects and financial condition.*

Steel is a global industry and the prices of various steel products including long and flat products vary substantially depending on multiple factors, such as the availability and cost of raw materials, fluctuations in domestic and international demand and supply of steel and steel products, worldwide production and capacity, fluctuation in the volume of steel imports, transportation costs, protective trade measures, various social and political factors, governmental policies and environmental considerations in the geographies in which the steel is produced as well in economies where steel producers sell their products. India's crude steel production rose from 43.4 MTPA in 2005 to 111.3 MTPA in 2019 and subsequently it has fallen to 99.6 MTPA in 2020. *("Source: IRR Report")*

Steel industry is highly dependent upon the trends of particular industries, such as infrastructure, construction, packaging, appliances, automobiles, machinery, equipment and transportation industries, which are among the biggest consumers of steel products. When downturns occur in these sectors, there may be reduced demand for products or a reduction in steel prices. Low steel prices adversely affect the businesses and results of operations of steel producers generally, including ours, resulting in lower revenue and margins and write-down in value of finished steel products and raw material inventories. In addition, the volatility, length and nature of business cycles affecting the steel industry have become increasingly unpredictable, and the recurrence of another major downturn in the industry may have a material adverse impact on our business, results of operations, financial condition and prospects.

While we believe that our integrated operations help us optimize our product mix, expand our geographical reach and maintain diligent control over our costs, any downturn in demand and price scenario of steel industry, could in turn adversely impact out operations and/or profitability.

2. ***Our operations have significant raw material requirements and we may not be able to ensure the availability of raw materials for our operations at competitive prices or in a timely manner.***

We are into the business of intermediate and long steel products, such as, TMT Bars, ERW Pipes, wire rods, HB wires including binding wires, ferro alloys, steel billets, iron pellets and sponge iron. The principal raw materials we require for production of steel are iron ore, manganese, coal and dolomite. In Fiscals 2021, 2020 and 2019, the cost of materials consumed (including changes in inventories, stock-in trade and work in progress) were ₹18,682.09 million, ₹18,391.22 million and ₹17,829.87 million, respectively and accounted for 60.97%, 68.65% and 66.05%, for the same period, of our total revenues.

Our competitiveness, costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials such as iron, manganese, dolomite and coal at competitive prices. Raw materials are subject to price volatility caused by external factors beyond our control, such as climatic and environmental conditions, commodity price fluctuations, market demand, production and transportation cost, change in fuel prices which may significantly affect transportation costs, and changes in government policies including duties and taxes and trade restrictions. In addition, competition in the industry may result in increase in prices of raw materials, which we may not be able to match, thereby affecting our procurement.

We procure part of our requirement of iron ore from our iron ore mine at Kanker district, Chhattisgarh, provided on lease from the Government of Chhattisgarh for a period of thirty years expiring on November 20, 2044. We also have exclusive mining rights in connection with an open-cast manganese ore mine located in Vizianagaram, in Andhra Pradesh till September 26, 2050. We procure significant part of our coal requirements from South Eastern Coalfields Limited under multiple fuel supply agreements and the balance through domestic purchases and imports.

While we endeavour to operate our mines at permitted capacities and seek to procure the entire quantity under such fuel supply agreements, our inability to do the same may require us to increase our reliance on purchase of such raw materials from open markets. We may also have to purchase raw materials at a significantly higher prices from the market for carrying out our operations, or we may be reliant on one or a limited number of suppliers, forcing us to accept higher prices or less advantageous terms. Moreover, any disruption of our suppliers' operations or breakdown of our relationship with such suppliers, could adversely impact our operations and profitability. Changes in the demand supply scenario of the domestic and global markets for our raw materials, and any operational and/or business disruptions for raw material providers, may also adversely impact our operations and profitability. If, for any reason, we are unable to procure sufficient raw materials of requisite quantity and quality, and at acceptable prices, it could disrupt our production, increase our power costs or reduce our production volumes, which in turn would adversely impact our operations and profitability. There is no assurance that we will be able to compensate for any future increase in raw material costs, by raising our product prices, and our inability in this regard could adversely impact our operations and profitability.

3. ***Disruption of our mining operations could adversely impact our ability to source raw materials and may have a significant adverse impact on our business and results of operations.***

Mining rights are subject to compliance with certain terms and conditions of the mining lease agreements. Laws, rules and regulations relating to mining, surface rights and the environment are administered by both the central government and relevant state authorities (as per their respective legislative competence). Any change in government policy or adverse rulings by adjudicating bodies, would impact the operations of the relevant mine. Further, our iron ore mine is located at Kanker, Chhattisgarh which has been impacted by insurgencies and Naxal movements in the past. For instance, in Fiscal 2016, our iron ore mine was attacked by insurgents which led to significant losses and the region continues to witness disturbances on account of such armed insurgencies.

In case such rights are revoked or our mining lease agreements expire or declared lapsed or are not renewed upon expiration or are renewed through auction at a higher price, or significant restrictions on the usage of the rights are imposed resulting in failure to extract required amounts of iron or manganese, or applicable environmental standards are substantially increased or royalties are increased to significant levels, or the security situation in the area where our mines are located deteriorates significantly, our ability to operate our manufacturing Units could be disrupted until alternative sources of raw material are located, which could materially and adversely affect our business, financial condition and results of operations. In addition, entering into new license or mining lease contracts or extending existing license or mining lease contracts is time-consuming and requires the review and approval of several government authorities.

We have faced numerous hurdles in connection with our mining activities, such as delays in receiving regulatory approvals, associated legal proceedings, delays in execution of mining leases and receipt of mining plans, as well as de-allocation of coal blocks. For instance, in the year 2014, allocation of coal blocks to CCCMPL was cancelled by the Supreme Court. While there was no material financial implication of the incident of cancellation, we cannot assure you that any such change in government policy in future will not have an adverse impact on our operations.

4. *We propose to undertake expansion which may entail significant capital expenditure and will require and expose us to execution risks.*

As part of our long-term strategy of organic expansion and integrated operations, we continuously evaluate expanding our capacities, improving raw material linkages and entering further value-added products. For example, in Fiscal 2021, we started our ERW Pipes business by setiing up a tubular section mill with a capacity of 250,000 TPA. We are in the process of expanding our production capacities through (a) setting up of an additional sponge iron plant, of 0.20 MTPA, at Unit III which would significantly enhance our sponge iron output from 0.61 MTPA to 0.81 MTPA, (b) setting up a waste heat recovery based power plant capable of generating 16 MW at Unit III, (c) expanding our steel melting shop capacity from 0.24 MTPA to 0.37 MTPA across our Unit I and Unit II, (d) expand our rolling mills capacity from 0.33 MTPA to 0.53 MTPA across our Unit I and Unit II, (e) setting up iron ore washery with a capacity of 0.40 MTPA at our Unit I and (f) setting up of galvanising plant with a capacity of 0.10 MTPA at Unit III. The facilities above are expected to be fully commissioned during Fiscal 2022. In addition to the above, our subsidiary, SBSCL has entered into an MoU with the government of Chhattisgarh to set up a steel project in the state of Chhattisgarh. SBSCL has applied for amendment to the MoU and will seek necessary approvals once the amedments have been approved. Further, our Company intends to set up a 50MW solar power plant at Raipur. For further details, see "*Our Business*" on page 152.

We are yet to obtain certain third-party consents and approvals, for completing and commissioning these expansion plans. In the past we have experienced cost and time overruns when implementing expansion plans. Further, our decision and ability to proceed with the implementation of our expansion plans may be contingent on a number of other factors that may be beyond our control, including applicable state laws and policies, the possibility of civil or political resistance to industrial development in the region, and operational difficulties that we may not be able to predict at this stage. Our inability to manage the said contingencies in an effective and timely manner, could adversely affect our growth, operations, and profitability.

Such expansion will also entail significant capital expenditure and while we intend to finance such expansion through a combination of internal accrual and external borrowings without significantly increasing our leverage, we cannot assure you that such increase in borrowings and capital commitments will not adversely impact our financial conditions, reputation and ratings. Further, in the event of adverse market conditions, or if actual expenditure exceeds planned expenditure, our external financing activities and internal sources of liquidity may not be sufficient to support our current and future operational plans, and we may be forced to, or may choose to, delay or terminate future plans for expansion.

Disruptions in global credit and financial markets and the resulting governmental actions around the world could have a material adverse impact on our ability to meet funding needs. We require continuous access to large quantities of capital in order to carry out day-to-day operations. We have historically required, and in the future expect to require, outside financing to fund capital expenditure needed to support the growth of our business, as well as for refinance of our existing debt obligations.

Our ability to arrange external financing and the cost of such financing, as well as our ability to raise additional funds through the issuance of equity, equity-related or debt instruments in the future, is dependent on numerous factors. These factors include general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investor confidence in us, our profitability, applicable tax and securities laws, the political and economic conditions in the geographic locations in which we operate, the amount of capital that other entities may seek to raise in the capital markets, and the liquidity of the capital markets in general. There can be no assurance that we will be able to obtain bank loans, or renew existing credit facilities in the future, on favourable terms or at all. If we are unable to arrange adequate external financing on favourable terms, our operations and profitability could be adversely and materially affected.

We rely on the availability of skilled and experienced contractors, and specialist agencies, for the implementation of our expansion plans, and for operating various aspects of our business. We do not have direct control over the timing or quality of the services and supplies provided by such third parties. Third party contracts expose us to various risks, including credit risks, settlement risks, operational risks, legal risks and reputational risks.

While we attempt to monitor the implementation of various aspects of our expansion that have been contracted to other agencies, and to manage our risk through performance guarantees, contractual indemnities and disclosures, it may not be possible for us to protect ourselves from all possible risks arising from third party default, or to enforce such contractual protections and recover the full amount of any losses that may be suffered by us as a result of any delay or shortfall in performance. In the event of a material failure or disruption in committed services or supplies, we cannot be certain that we will be able to make alternative arrangements in a reasonable time, on commercially favourable terms, or at all. As a result, our business, results of operations and financial condition may be adversely affected. Our planned expansion will also increase the challenges we face in connection with human resources, including recruitment, training and retention of skilled and experienced technical and management personnel. We shall also be required to implement / improve our administrative infrastructure, controls and processes. If we are unable to recruit human resource with adequate skill and experience and/or fail to install appropriate systems and controls on a timely basis, or if there are weaknesses in such systems and controls that result in inconsistent internal standard operating procedures, we may not be able to meet our expected schedule of implementation, or may exceed budgeted expenditure.

In addition, our expansion plans may not yield the expected or desired revenues, profitability, efficiency or cost reduction outcomes, or result in any increase in the value of your investment in the Equity Shares.

5. ***There are outstanding legal proceedings against our Company, Subsidiaries, Directors and Promoters. An adverse outcome in such proceedings, may have a material adverse effect on our business, results of operations and financial condition.***

There are outstanding legal proceedings involving our Company, Subsidiaries and some of our Promoters and Directors, which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert management time and attention and consume financial resources in their defense or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations.

A summary of the outstanding legal proceedings against our Company, Subsidiaries, Directors and Promoters as disclosed in this Draft Red Herring Prospectus, have been set out below:

Nature of Cases	**Number of Cases**	**Amount Involved*** ***(in ₹ million)***
Proceedings involving our Company		
Criminal	4	16.80
Tax	18	657.80
Other pending litigations	11	332.63
Proceedings involving our Directors		
Criminal	1	Nil
Tax**	2	12.72
Other pending litigations	2	12.81
Proceedings involving our Promoters		
Criminal	1	Nil
Tax**	2	12.72
Other pending litigations	1	Nil
Proceedings involving our Subsidiaries		
Criminal	1	5.00
Tax	1	789.77
Other pending litigations	4	504.63

**To the extent quantifiable.*

***In this case Rajendra Goel, one of the Individual Promoter and Executive Director is one of the parties along* *with our Company.*

For further details of the outstanding litigation proceedings involving the Company, Directors, Promoters and Subsidiaries, see "*Outstanding Litigation and Other Material Developments*" beginning on page 307.

We cannot provide assurance that these legal proceedings will be decided in our favour. Decisions in such proceedings adverse to our interests may have an adverse effect on our business, results of operations and financial condition.

6. ***In the Fiscal 2016, the existing term loans of our Company have been structured pursuant to the scheme issued by Reserve Bank of India i.e. "Flexible Structuring of Long Term Loan". Any cash flow mismatch, or restructuring of loans, could adversely affect our profitability and/or operations.***

The operations of our Company had come under strain due to various internal and external reasons such as stretched working capital cycles, increased cost of inputs, higher interest cost, slowdown in steel industry etc. which led to a strain on the resulting cash flows of our Company. Hence, our Company requested the consortium lenders for "Flexible Structuring of Long Term Loan" pursuant to the scheme issued by Reserve Bank of India. Accordingly, the term loans and the then maturity amounts were rescheduled as agreed with the consortium lenders. In terms of this flexible restructuring, the repayment tenor was enhanced to a period of 15 years without any material change in other terms and conditions of the original sanctions given to our Company. For further details, please see "*History and Certain Corporate Matters*" on page 180.

We cannot assure you such instances of cash flow mismatch will not arise in the future which may impact our ability to meet our contractual liabilities, profitability and results of operations of our Company. Further, we cannot assure you that instances of statutory or regulatory restructuring will not arise in the future, or that such instances will not adversely impact our ability to raise resources for our business, credit rating and the profitability and results of operations of our Company.

7. ***Our success depends on stable and reliable logistics and transportation infrastructure. Disruption of logistics and transportation services could impair the ability of our suppliers to deliver raw materials or our ability to deliver products to our customers and/ or increase our transportation costs, which may adversely affect our operations.***

Our Unit III has captive mechanized railways siding and we depend primarily on railways to transport the raw materials for such manufacturing Units. We also utilize third party transportation services by road for transport of raw materials and our products from/ to our suppliers and customers. Further, we rely on the freight ships for the transport of imported coal as well as for export of our products. Transportation by rail, road or ship, as the case may be, involves risks, including, collision, grounding, storm, fire, explosion, lightning, political instability, allotment of rakes, allotment of berths for cargo ships for our imports and operating restrictions/ lockdown consequent to outbreak of infectious diseases, such as the COVID-19 pandemic. Any delay or disruption caused to the transportation of raw materials or our products could adversely impact our ability to procure the raw materials as well as to meet the delivery schedule of our products in an economical manner. Our freight and carriage expenses relating to export sales amounted to ₹ 327.30 million, ₹ 248.63 million and ₹ 0.70 million, respectively, in Fiscals 2021, 2020 and 2019, respectively. To ensure timely delivery of our products, we may also be required to maintain relatively high level of inventory of raw materials and this may also resultantly increase our cost.

Further, the operation and maintenance of the railways is carried out by the central Government and we cannot assure you that rakes will be allotted to us on a cost effective basis and that such logistics and transportation infrastructure will be operated and maintained at adequate levels. In the event we are not allotted rakes by the central Government for the transportation of our raw materials or our products, we will be required to transport such raw materials or products by way of road which could increase our logistics costs and could materially and adversely affect our results of operations and financial conditions. Further, disruptions of the logistics and transportation services on account of weather-related problems, strikes, inadequacies in the rail infrastructure, operating restrictions/ lockdown consequent to outbreak of infectious diseases, such as the COVID-19 pandemic or other events could impair the ability of our suppliers to deliver raw materials or significant increase in transportation costs may have an adverse impact on our operations.

8. ***We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialize, may adversely affected our financial condition.***

Our contingent liabilities as of March 31, 2021 aggregated to ₹ 5,550.71 million. The contingent liabilities consist of corporate guarantees given on behalf of subsidiary company, letter of credit and guarantee issued by the bank, outstanding bank guarantees and disputes tax liabilities not acknowledged. In the event that any of these contingent liabilities materialize, our results of operation and financial condition may be adversely affected. As on March 31, 2021, we had the following contingent liabilities on a consolidated basis that have not been provided for in our financial statements:

Particulars	**Amount (₹ in million)**
Claims against the group/ disputed tax liabilities not acknowledge as debt	1,447.61
Bank guarantee outstanding	384.49
Discounted letter of credit and guarantee	216.93
Jointly and severally corporate guarantee to financial institution on behalf of Subsidiary company	2,250.00
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,251.68
Total	**5,550.71**

Further, our Company has issued the corporate guarantees for an amount of ₹ 2,250.00 million on standalone basis, in favour of certain lenders of our Subsidiaries. Most of these corporate guarantees have been given to lenders of IAHEPL, our Subsidiary. In case the cash flows of any of our Subsidiary Companies, where we have issued corporate guarantee, is not sufficient to meet their debt obligations, or such Subsidiary companies, breach their obligations under the relevant loan agreements, the lenders may enforce the guarantees against our Company. The lenders may also require alternate or additional guarantees, collaterals, accelerated payments of outstanding amounts or terminate the relevant loan facilities if they determine that our Company's guarantees are inadequate. However, there has been no past instances where the lenders of our Company have enforced guarantee against the Company. We may not be successful in providing the required guarantees or at all and may need to repay outstanding amounts or seek additional sources of capital, which could affect our cash flows, financial condition and results of operation.

Any or all of these contingent liabilities may become actual liabilities. If any or all of these liabilities materialize, there may be an adverse effect on our business, financial condition and results of operations. For more information, see "*Financial Statements*" on page 230.

9. ***We are yet to obtain consent for undertaking the Issue from HDFC Bank Limited, one of the lenders to our Company.***

Our Company has entered into several borrowing facilities of varying terms and tenures from our lenders. Some of the financing arrangements entered into by us include conditions and covenants that require our Company to obtain consent from such lenders' prior to carrying out certain activities and entering into certain transactions including certain actions and matters in relation to the Issue. Some of these covenants include, altering our capital structure, changing our current ownership / control, formulating a scheme of amalgamation, material change in composition of management, undertaking guarantee obligations, declaration of dividend, and amending constitutional documents, for which we have to obtain consent from lenders. While we had applied to all the relevant lenders for consent to undertake the Issue, and have obtained consents from all of our lenders, except HDFC Bank Limited. Undertaking the Issue without such consents constitutes a breach of covenant under the relevant financing documents, which may lead to HDFC Bank Limited requiring us to repay any outstanding loans and may trigger cross-default in our other borrowing arrangements. Our Company undertakes to obtain such consent prior to filing the Red Herring Prospectus with the RoC. Further, our Company proposes to utilize ₹ 4,000.00 million from the Net Proceeds towards repayment or prepayment, in part or in full, of the existing loan facilities availed by our Company from our lenders and such prepayment of our existing loan facilities may require us to pay certain charges and penalties. For more information, see "*Financial Indebtedness*" on page 275.

10. ***Our Company was not in the compliance of provisions of the Companies Act in the past in relation to the constitution of the audit committee.***

An application dated September 2, 2018 pertaining to, *inter-alia*: violation of provisions of Section 292A of the Companies Act 1956 for constitution of Audit Committee was filed before the National Company Law Tribunal, Cuttack Branch. The paid-up share capital exceeded ₹ 50 million in the Fiscal 2005 and therefore our Company was required to constitute the audit committee under the Companies Act, 1956. However, our Company couldn't find suitable non-executive directors for the constitution of the audit committee. The application filed for violation of provisions of Section 292A of the Companies Act 1956 for constitution of Audit Committee is still pending as on the date of this Draft Red Herring Prospectus. There can be no assurance that the said Registrar of Companies, or any other statutory/regulatory authority, will not take an adverse view and impose penalties on our Company in this regard.

11. ***Our inability to obtain and/or maintain sufficient cash flows, credit facilities and other sources of funding, in a timely manner, or at all, for meeting our requirements of working capital and/or for paying our debts, could adversely affect our operations, financial condition and profitability.***

Our operations require a substantial amount of working capital. We are required to obtain and/or maintain adequate cash flows and funding facilities, from time to time. As at March 31, 2021, our Company had aggregate outstanding borrowings on a standalone basis in the form of working capital facilities for amounts aggregating ₹ 3,065.45 million.

The actual amount and timing of our future working capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological changes and additional market developments. Our working capital requirements may increase if, under certain contracts, payment terms do not include advance payments or such contracts have payment schedules that shift payments toward the end of a project or otherwise increase our working capital burdens. All of these factors may result, or have resulted, in increases in our working capital needs. We intend to utilize a part of our Net Proceeds towards our incremental working capital requirements. For further details on our working capital requirements, please see *"Objects of the Issue"* on page 90.

Our inability to obtain and/or maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, for meeting our requirements of working capital and/or for paying our debts, could adversely affect our operations, financial condition and profitability.

12. ***Conflicts of interest may arise out of common business objects shared by us and certain of our Group Companies and members of our Promoter Group. Any such conflict of interest could adversely affect our business, prospects, results of operations and financial condition.***

Some of our Group Companies and members of our Promoter Group, whose main objects and objects ancillary thereto in their respective memorandum of association permit such entities to carry out activities similar to those carried out by us and such entities may compete with us. As a result, conflict of interests may arise in allocating or addressing business opportunities and strategies amongst us and the aforementioned entities in circumstances where our interests differ from theirs. There can be no assurance that the interests of our Promoters and members of our Promoter Group will be aligned in all cases with our interest and the interests of our minority shareholders. There can be no assurance that the aforementioned entities will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours.

We have not entered into any non-solicitation or non-compete agreement with any of our Group Companies and the members of our Promoter Group. There can be no assurance that our Promoters, members of our Promoter Group or any of our Group Companies will not provide comparable services, expand their presence, solicit our employees or acquire interests in competing ventures, in the locations or segments in which we operate.

A conflict of interest may occur between our business and the business of the members of our Promoter Group, and any of the Group Companies which could have an adverse effect on our business, prospects, results of operations and financial condition.

13. ***A majority of our sales are generated from a limited number of distributors operating in the central and western regions of India. Any adverse developments in these regions could have an adverse impact on our business and financial conditions.***

During Fiscals 2021, 2020 and 2019 our total revenue from operations from Chhattisgarh, Madhya Pradesh and Maharashtra was ₹22,256.20 million, ₹22,523.74 million and ₹22,892.50 million, respectively and agreegating to 73.42%, 84.56% and 85.25% respectively of our total revenue from operation for the same period. Such geographical concentration of our steel business in central and western India heightens our exposure to adverse developments in these regions, which in turn could adversely affect our business prospects, financial conditions and results of operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, and transportation, in other markets where we may expand our operations, may differ from those in central and western regions of India, and our experience in existing markets may not assist us in successfully competing in other markets. Further, a significant proportion of our Company's revenues are derived from a limited number of distributors. If we are unable to secure significant orders from such distributors in the future, on commercially favourable terms, or at all, our revenues and profitability may be adversely affected.

In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with dealers and relevant government authorities, or are in a stronger financial position than us, all of which may give them a competitive advantage over us. We may be required to incur additional advertising and marketing expenses, offer more favourable credit terms and offer our products at lower margins to compete in such markets. Our inability to expand into new geographies or on terms favourable to us may adversely affect our business prospects, financial conditions and results of operations.

14. *We sell our products through a large network of channel partners, (distributors and dealers). Any payment delay or default in payments or deficiency in services, by any of our channel partners, could adversely affect us, our goodwill, operations, and profitability.*

We sell our products through a large network of channel partners. We sell our products in the retail segment through a well-established and effectively managed dealer distribution network and as on May 31, 2021, our distribution network comprised of 11 distributors and 514 dealers. We have entered into exclusive arrangement with our distributors wherein they have agreed to exclusively sell our TMT Bars, ERW Pipes and HB wires through network of dealers. Accordingly, we are legally liable for any fraud, deficiency in services, or other malpractices that any of our channel partners may resort to and any such deficiency in services could adversely affect our goodwill, operations, and profitability. While, there has been no instances of any dispute with respect to agreement with distributors in the last three fiscals which has had material adverse impact on our financial and result of operations, we cannot assure you that we will not be impacted by such instances going forward.

While we strive to operate on immediate payment terms, and at times with partial or full advance payment terms, but there is no guarantee that our dealers will not default on their payments. We extend credit periods to our channel partners and we cannot guarantee that our channel partners will not default on their payments which might adversely affect our profits margins and cash flows. An inability to collect receivables in a timely manner or at all, could adversely affect our working capital cycle, and cash flow.

Our ability to increase our market outreach significantly depends on our ability to expand and effectively manage our dealer distribution network and procure favourable agreements with our service providers on acceptable pricing terms. Although we generally endeavour to obtain favourable pricing terms in arrangements and contracts when engaging with our service providers, market conditions at the time of negotiating such contracts and arrangements may result in us accepting less favourable pricing terms. In addition to such definitive agreements, a failure to renew the transportation agreements entered into by us may have an impact on the transportation of our goods and a disruption in the transportation of our products to our dealers and distributors.

There is no assurance that we will be able to maintain our existing distribution network or successfully engage new channel partners in the future. Owing to constant competition, we may be unable to enter into favourable terms with our channel partners leading to a decline or stagnation of our distribution network. Any disruption in our supply chain dynamics, or reduction or cancellation of purchase orders from our dealers, distributors or our customers at any point in time, or failure in appointing new channel partners, or termination or non-renewal of distribution agreements by the distributors, could have a material adverse effect on our operations and financial condition.

15. *We are dependent on our manufacturing Units and power plants. We may face disruptions to our manufacturing schedules to various factors, including, labor issues, accidents. While we have not experienced any labor unrest, we cannot assure you that we will not face any such problems in the future. Such disruptions could have an adverse effect on our operations, growth, and profitability.*

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, natural disasters, industrial accidents and the need to comply with new directives of the relevant government authorities. For instance, there was a fire incident at our iron ore mine at Uttar Bastar Kanker, Chhattisgarh in Fiscal 2016 causing a net loss of ₹6.67 million. In the past, there was a blast in gasifier at Unit III in the Fiscal 2017 and our Company had suffered a loss of ₹ 1.35 million post settlement of the insurance claim made by us.

Further, we are required to carry out planned shutdowns of our various manufacturing facilities and mines for routine and preventative maintenance, statutory inspections and testing. We also need to shut down our various units and mines, from time to time, for capacity expansions, enhancements and equipment upgrades. Any disruptions in the operations of our facilities may have a material adverse impact on our business, financial condition and results of operations. While we take precautions to minimize the risk of any significant operational problems at our facilities, there can be no assurance that our business, financial condition and results of operations will not be adversely affected by disruptions caused by operational problems at our facilities.

As at May 31, 2021, we had a workforce of 4,134 personnel comprised 3,532 permanent employees and 602 contract employees for our operations. While we consider our current labour relations to be good, and we have measures in place aimed at maintaining balanced employee relations, there can be no assurance that we will not experience future disruptions in our operations, due to disputes or other problems with our employees. Moreover, we are subject to stringent labour laws, and any violation of these laws may lead regulators or other authorities to order a suspension of some or all of our operations. Any of the foregoing events could adversely affect our business and results of operations.

16. ***Our mining steel, power, and mining operations, involve dangerous processes, that can cause personal injury and loss of life, severe damage to and destruction of property, equipment or the environment, as a result of which, we could suffer material liabilities, loss of revenues and increased expenses.***

Our steel, power and mining operations are inherently hazardous. Hazards associated with our operations include accidents involving, the moving and operating of heavy machinery, the handling of raw materials and finished products, the handling of materials which are heated to extreme temperatures, such as molten steel, blast furnaces, ovens and boilers, the handling of flammable materials such as furnace oil, operating and maintaining electrical systems, managing other hazardous materials and, managing the human exposure to hazardous materials, (whether through inhalation, contact or otherwise). In addition, there have been claims that the high-voltage transmission of electricity can have an adverse effect on the health of people who spend time near transmission infrastructure.

Our mining operations are subject to hazards and risks normally associated with the exploration, development and production of natural resources, including industrial accidents, such as explosions, fires, transportation interruptions and inclement weather. These operations are also subject to hazards and risks, relating to negative environmental consequences, such as those resulting from tailings and sludge disposal, effluent management, and rehabilitation of land disturbed during mining processes. The occurrence of any of the events mentioned above, or similar events, could delay production, increase production costs and result in death or injury to persons, damage to property and enhanced liabilities, some or all of which may not be covered by insurance. Such hazards and risks could substantially harm our reputation, operations and profitability. For instance, there was a fire incident at our iron ore mine at Uttar Bastar Kanker, Chhattisgarh in Fiscal 2016 causing a net loss of ₹6.67 million. In the past, there was a blast in gasifier at Unit III in the Fiscal 2017 and our Company had suffered a loss of ₹ 1.35 million, post settlement of the insurance claim made by us.

In addition, environmental awareness throughout the world, including in India and other emerging markets, has grown significantly in recent years. Government restriction on steel manufacturing and opposition to mining operations have also increased due to the perceived negative impact they have on the environment. Public protests over our operations could cause operations to slow down, damage our reputation and goodwill or cause damage to our facilities. Public protest could also affect our ability to obtain necessary licenses to expand existing facilities or establish new operations. Our employees, members of the public or government authorities may bring claims against us arising out of these hazardous production processes. If it is determined by the appropriate authorities that provisions and measures for safety within our premises are inadequate, the licenses granted to us for operations at such premises may be revoked, thereby adversely affecting our business, financial condition and results of operations.

17. ***Environmental matters, including compliance with laws, regulations and remediation measures, could result in increased capital requirements and operating costs.***

Our operations generate pollutants and waste, some of which are potentially dangerous. Our operations are subject to numerous laws, regulations, and contractual commitments, relating to the management of such pollutants and the environment. These laws, regulations and contractual commitments concern air emissions, wastewater discharges, solid and hazardous waste material handling and disposal, and the investigation and remediation of contamination, or other environmental restoration. The risk of substantial costs and liabilities related to compliance with these laws and regulations, is an inherent part of our business. The locations at which we manufacture our products, dispose of waste materials, and/or extract raw materials for our manufacturing activities, are all subject to environmental risks, and the associated costs and liabilities, including those related to the investigation and remediation of past or present contamination, or other environmental restoration.

Despite our efforts to monitor and comply with environmental laws and regulations, our goodwill, operations, and profitability, could from time to time be adversely affected, due to any inadvertent non-compliance in this regard. Any such non-compliance could lead to costly remedial action, as well as other liabilities, such as civil and/or criminal penalties being imposed, the suspension of permits, requirements to curtail or suspend operations, and lawsuits by third parties. There can be no assurance that substantial costs and liabilities will not be incurred by us in the future in this regard.

Environmental laws and regulations in India are becoming more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. An increase in the requirements of environmental laws and regulations, increasingly strict enforcement thereof by governmental authorities, or claims for damages to property or injury to persons resulting from the environmental impacts of our present or past operations, could prevent or restrict some of our operations, require the expenditure of significant funds to bring us into compliance, involve the imposition of clean up requirements and reporting obligations, and give rise to civil and/or criminal liability. There can be no assurance that any such legislation, regulation, enforcement or private claim will not have a material adverse effect on our business, financial condition or results of operations. However, there have been no instances in the past where any regulatory agency has taken action or imposed penalties for non-compliances with respect to environment matter, which would have any impact on the financial / business operations of our Company. In the event that production at one of our facilities is partially or wholly disrupted due to this type of sanction, our business could suffer significantly and our results of operations and financial condition could be materially and adversely affected.

18. ***All our manufacturing Units are geographically concentrated in Chhattisgarh and our operations may be affected by various factors associated with Chhattisgarh and the region where we operate.***

All our manufacturing Units and iron ore mine are located in the state of Chhattisgarh. This concentration of our business in Chhattisgarh, subjects us to various risks, including but not limited to the following risks:

- regional slowdown in construction activities or reduction of infrastructure projects in and around Chhattisgarh;
- regional natural disasters;
- vulnerability to change of policies, laws and regulations or the political and economic environment of Chhattisgarh;
- constraints on our ability to diversify across states;
- perception by our potential clients, that we are a regional steel manufacturing company, which hampers us from competing against other large steel manufacturing companies at a national level.

Further, since our manufacturing operations are concentrated in Chhattisgarh any political disruption, natural calamities or civil disruptions, opposition and protests, particularly in locations where we operate in Chhattisgarh, could adversely affect our business operations or strategy. There is no assurance that such disruption in business operations would not bring any hindrance in the functioning of our manufacturing Units. Consequently, our business, results of operations, cash flows and financial condition have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting the steel industry in Chhattisgarh and end user industry in geographically contiguous states.

19. ***Estimates of our mineral reserves of our mines over which we have mining rights, are subject to assumptions. If the actual amounts of such reserves are materially less than what is estimated, or if we are***

unable to gain access to sufficient mineral reserves, our results of operations and financial condition may be adversely affected.

Our estimates of our iron ore and manganese ore resources are subject to probabilities and assumptions which are based on, inter-alia, the interpretation of geological data and projected rates of production in the future. In addition, no independent third- party reports have been generated to ascertain the level of mineral reserves located at our existing mining sites. Actual reserves and production levels may differ significantly from reserve estimates. Furthermore, it may take many years from the initial phase of exploration, before production is possible, during which time the economic feasibility of exploiting such reserves may change. There can be no assurance that the relevant mines will produce raw materials at the estimated amounts or at all. We may be forced to purchase such minerals in the open market if the quality, quantity or accessibility of such reserves is overestimated. Prices of minerals in the open market may significantly exceed the cost at which we might otherwise be able to extract these minerals, which would cause costs to increase and consequently adversely affect our businesses, results of operations, financial condition and prospects.

20. ***Our management will have broad discretion in the manner in which we utilise the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the objects of the Issue will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution.***

Our Company intends to use the Net Proceeds for the purposes described in "*Objects of the Issue*" on page 90. Subject to this section, our management will have broad discretion to use the Net Proceeds, and investors will be relying on the judgment of our management regarding the application of the Net Proceeds. While a monitoring agency will be appointed in compliance with the SEBI ICDR Regulations for monitoring utilisation of Net Proceeds, the funding plans are in accordance with our own estimates and have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in its business.

21. ***Ceratin of our operations are being conducted on leased premises. Our failure to renew these leases, obtain new leases or pay higher rental fees under these leases could negatively impact our operations.***

We conduct our operations on premises that are either owned or leased from third parties, including government entities. From time to time, such leases come up for renewal, and a non-renewal of such lease agreements could disrupt our operations. For instance, operations in Unit I is being conducted on land leased from state government for 99 years, for which the Company has executed two lease deeds dated March 26, 2004 and June 8, 2007 which are valid till March 25, 2103 and June 7, 2106, respectively. Operations in Unit III is being conducted on land leased from state government for 99 years, for which the Company has executed a lease deed dated February 5, 2011 which is valid till February 4, 2110. Further, the land on which our mines are located are held by us on leasehold or licensed basis from the state government. The tenure of the leases is generally agreed in the relevant lease agreements and in some cases are subject to renewal after the agreed period of time. The lease tenure for iron ore mine located in Uttar Bastar Kanke, Chhattisgarh is for a period of 30 years and manganese ore mine is located in Vizianagaram, Andhra Pradesh for a period of 30 years expiring on November 20, 2044 and September 29, 2050, respectively. While we have not received any notices or intimations regarding non-compliance of the terms of our lease agreements, there can be no assurance that there will be no such non-compliance leading to termination of such leases in the future. Any change in the terms and conditions of the lease agreements and any premature termination of such lease agreements may have an adverse impact on our operations.

Renewing these leases in a favourable and timely manner, is subject to various contingencies, such as renewed negotiations on commercials, and additionally, the mining leases granted to us have to be in compliance with the Mines and Minerals (Development and Regulation) Act, 1957. These lease agreements may be terminated in accordance with their respective terms, and any termination or non-renewal of such leases could adversely affect our operations. In addition, these leases generally have periodic escalation clauses for rent payments. If these leases are not renewed in a timely manner, or if they are renegotiated on terms that are less advantageous to us, we may be forced to pay higher rental fees or royalties under these leases, and in some cases we may be compelled to relocate our assets. For minerals extracted through mining leases, changes to lease terms could force us to purchase such minerals in the open market where prices may be significantly higher. Any of these factors could in turn adversely affect our growth, operations, and profitability.

22. ***The operation of our manufacturing facilities may face opposition from local communities and other parties. Any disruptions or delays to our manufacturing facilities would adversely impact our profitability.***

The construction and operation of our facilities in India may face opposition from local communities where these projects are located and from special interest groups. In particular, the public may oppose our steel or power plants due to the perceived negative impact they may have on the environment. There can be no assurance that we will not encounter such opposition for our future projects. The resettlement and rehabilitation program are developed on a project-by-project basis and is included in our budget for each project. However, the government of the state in which the project is located is ultimately responsible for disbursing compensation funded by us to those individuals that are displaced due to our projects. While there are no past instances where our Company has encountered opposition or disruption from local communities and other parties which have resulted in material impact in the operation and financial condition of our Company, any significant opposition by local communities, NGOs and other parties to the operation of our projects could cause authorities to order suspension of some of our operations, attract negative publicity, require significant time of our senior management team and costs to defend our rights which can cumulatively have material adverse impact on our results of operations and financial condition.

23. ***We have a significant amount of indebtedness, which may adversely affect our cash flows, and/or results of operations.***

Our outstanding gross indebtedness as at March 31, 2021 was ₹ 12,682.27 million. Any downturn in the steel industry, increases the possibility that we may be unable to generate cash sufficient to pay, when due, the principal of, interest on or other amounts due in respect of its indebtedness. In addition, as this debt matures, we may need to refinance or secure new debt which may not be available on favourable terms, or at all.

Our indebtedness levels, other financial obligations and contractual commitments, may have other consequences for our business and results of operations, including:

- increased vulnerability to adverse changes in economic conditions, government regulations, or the competitive environment;

- diversion of our cash flow, from operations to payments on our indebtedness, and other obligations and commitments, thereby reducing the availability of our cash flows to fund working capital, capital expenditure, acquisitions and other general corporate purposes;

- limiting additional borrowings for working capital, capital expenditure, acquisitions, debt refinancing service requirements, execution of its business strategy or other purposes; and

- impairing our ability to pay dividends in the future.

Our high indebtedness levels, and other financial obligations and contractual commitments, could lead to a downgrade of our credit rating by rating agencies, thereby adversely impacting our ability to raise additional financing, as well as the interest rates and commercial terms on which such additional financing is availed of.

While, our Company intends to use a certain portion of the Net Proceeds towards pre-payment or repayment, in full or part, of certain loans availed of by our Company, we may incur additional borrowings in the future. Our inability to meet our debt servicing obligations and repay our outstanding indebtedness, depends primarily on the revenue generated by our business. We cannot assure you that we will generate sufficient revenues to service existing or proposed borrowings, or for funding other liquidity needs.

24. ***A failure to comply with financial and other restrictive covenants imposed on us under our financing agreements, could cause us to default on these agreements, which could adversely affect our profitability.***

Some of our financing agreements and debt arrangements set limits on, or require us to obtain lender consent before, among other things, pledging assets as security, implementing any dividend payment, providing corporate guarantees, undertaking any expansion/modernization/diversification, incurring any capital expenditure, formulating a scheme of amalgamation or reconstruction, entering into any long term contractual obligations, raising additional sources of capital, and effecting changes in the management and control of our Company. In addition, certain financial covenants may limit our ability to borrow additional funds or to incur additional liens. If our liquidity needs, or growth plans, require such consents and such consents are not obtained in a timely and favourable manner, we may be forced to forego or alter our plans, which could materially and adversely affect our financial condition and results of operations. There can be no assurance that we will be able to obtain such consents in the future.

There have been delays in the past in the payment of interest and principal due to financial constraints. For instance, during Fiscal 2018 there was 60 days delay in repayment of principal amount of ₹ 505.00 million and interest of ₹ 712.12 million.

While our Company has not received any notice / communications from the lenders categorising the Company's account as 'Non-Performing Account' in the past, if in the future our Company fails to make interest payments or principal repayments to our lenders in a timely manner or at all, our Company's account with the lenders may be categorized as a "Non-Performing Asset". The said classification as a "Non-Performing Asset" could affect the credit rating of our Company.

In the event, we breach financing agreements, the outstanding amounts due thereunder could become due and payable immediately, or result in increased costs. In the past, there have been breaches in adhering with some of the financial and technical covenants along with delays in repayments on few occasions, although our lenders have not issued notices for such breaches. Where instances of breach arise, our lenders may invoke rights under the borrowing arrangements. In addition, future non-compliance with the financial covenants of our financing agreements may lead to increased costs for any future financings. This could adversely affect our ability to conduct our business and operations.

25. ***Some of the members of the Promoter Group have pledged their Equity Shares as additional/collateral security under agreements with one of our lenders, in connection with various credit facilities obtained by our Company. In the event of any default under the relevant agreements, the lender may enforce aforementioned pledges, which could result in the change in the capital structure of our Company and may also have an adverse impact of the market price of our Equity Shares.***

As on date of this Draft Red Herring Prospectus, 30,714,146 Equity Shares are held by the members of the Promoter Group, out of which 16,952,500 Equity Shares representing 33.67% of the paid-up equity share capital of our Company, are pledged in favour of consortium lenders in connection with a loan availed by our Company. In the event of any default under the relevant loan agreements with the lenders in connection with a loan availed by our Company, the lenders may enforce aforementioned pledges, which could result in a change in the capital structure of our Company and may also have an adverse impact of the market price of our Equity Shares.

If this happens, the shareholding of our Promoter Group may be diluted and we may face certain impediments in taking decisions on certain key, strategic matters involving our Company. As a result, we may not be able to conduct our business or implement our strategies as currently planned, which may adversely affect our business and financial condition. Further, any rapid sale of Equity Shares by such third parties may adversely affect the price of the Equity Shares.

26. ***We sell our products in highly competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.***

India is our primary market and we face competition in our business from domestic as well as international producers. Due to the commodity nature of most of our products, competition in these markets is based primarily on demand and price. As a result, to remain competitive in our market, we must continuously strive to reduce our production, transportation and distribution costs, improve our operating efficiencies and secure our raw materials requirements.

Competing domestic steel producers have increased their manufacturing capacities, and we expect domestic competition to further intensify with the ramping up of new facilities by these competitors. Some of our domestic competitors may possess an advantage over us due to various reasons, such as captive raw material sources, greater economies of scale, integrated manufacturing facilities, specialization in production of value-added or niche products and greater presence or dominance in certain markets. Our competitors may have lower leverage and stronger balance sheets. Larger competitors may also use their resources, which may be greater than ours, against us in a variety of ways, including by making additional acquisitions, and investing more aggressively in product development and capacity. The market is still highly fragmented, and if the trend towards consolidation continues, we could be placed in a disadvantageous competitive position relative to other steel producers, which would in turn adversely affect our operations and profitability. Maintaining or increasing our market share will depend on effective marketing initiatives, and our ability to anticipate and respond to various factors that affect the industry, including our ability to improve our manufacturing process and techniques, to introduce new products, to respond to pricing strategies of our competitors, and, to adapt to changes in technology and changes in customer preferences. Failure by us to compete effectively would have a material adverse effect on our business, financial condition and results of operations. We also expect increasing competition from international steel producers due to the increasing consolidation in the steel industry worldwide. A number of our international competitors may have greater financial and other resources.

We may also face competition from new companies that are emerging which may attempt to obtain a share in our existing markets. The abovementioned factors, among others, have intensified the competition we are subjected to and there can be no assurance that we will be able to compete successfully in the future against our existing or potential competitors, or that increased competition with respect to our activities will not have an adverse effect on our business, financial condition and results of operations.

27. ***Our business is dependent on our continuing relationships with our customers and suppliers. Our suppliers may, inter-alia, adversely vary the terms on which we procure raw materials, suspend or cancel the delivery of products, and/or, fail to deliver the required quality of raw materials, in a timely manner or at all. Such interruptions in our raw material supply chain could adversely impact our operations, goodwill and profitability.***

Events of force majeure, such as disruption of transportation services because of weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, government actions or other events that are beyond the control of our suppliers, which prevent our suppliers from adhering to the required delivery schedules, could in turn adversely affect our operations, goodwill and productivity. Similarly, our customers may suspend or cancel delivery of our products during a period of force majeure, and any suspensions or cancellations that are not replaced by deliveries under new contracts, or sales to third parties on the spot market, would reduce cash flows and could adversely affect our financial condition and results of operations. While we have not faced such event or disruption in the past which has resulted in any material impact on our results of operation and financial condition, there can be no assurance that such disruptions will not occur in the future.

28. ***We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims. Further, our business depends heavily on our reputation and the market perception of our brand. Any negative publicity, infringement or other harm to our brand, or any failure to maintain and enhance our brand recognition, may materially and adversely affect our goodwill, operations and profitability.***

We believe the brand under which our businesses operate are important assets which are integral to our success. Our TMT Bars, ERW Pipes and HB wires, are sold under the brands ‘GOEL TMT’, ‘GOEL PIPES’ and ‘wire’ respectively which have been registered under the Trade Marks Act, 1999. In addition, we also own certain other trademarks that have been registered under the Trademarks Act, 1999. For further information, see “*Government and other Approvals – Approvals in relation to intellectual property of our Company*” on page 315. There can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property.

Further, we have incurred advertising and publicity expenses of ₹714.28 million over the last three Fiscals to further establish our brands in their respective categories and we cannot assure you that such investments will yield desired results. The advertisement and publicity expense during the Fiscals 2021, 2020 and 2019 was ₹273.49 million, ₹211.87 million and ₹228.93 million, respectively and as a percentage of total income during such periods was 0.89%, 0.79% and 0.85%, respectively for the same period. Many factors, including any real or perceived problems relating to any of our products, as well as the materialization of any of the other risks discussed in several of the other risk factors in this section, may impact the reputation of our brand, which could in turn have a material adverse effect on our operational performance, earnings, cash flows and financial conditions.

29. *We may not have sufficient insurance coverage for all possible future economic losses.*

Our operations are subject to inherent risks such as fire, strikes, loss-in-transit of our products, cash-in transit, accidents and natural disasters. In addition, many of these operating and other risks may cause personal injury, and damage to or destruction of our properties, which could in turn result in the suspension of operations, and the imposition of civil or criminal penalties. As part of our risk management, we maintain insurance policies that may provide some insurance cover for mechanical failures, power interruptions, natural calamities or other problems at our facilities. Notwithstanding the insurance coverage that we carry, the occurrence of any event that causes losses in excess of limits specified under the policy, or losses arising from events not covered by insurance policies, could have a material adverse effect on our business, financial condition and results of operations. For instance, we do not currently carry any product liability insurance coverage, and a major claim for damages related to products sold could materially harm our business, financial condition and results of operations. Our insurance cover for property, plant and equipment and inventory as of March 31, 2021, March 31, 2020 and March 31, 2019 was ₹ 15,497.66 million, ₹ 14,202.08 million and ₹ 14,254.86 million, respectively, while our net block of property, plant and equipment and inventory insured was ₹ 12,273.15 million, ₹ 11,237.28 million and ₹ 10,197.95 million as of March 31, 2021, March 31, 2020 and March 31, 2019, respectively. Consequently, our insurance cover as a percentage of net block of property, plant and equipment and inventory was 126.27%, 126.38% and 139.78%, as of March 31, 2021, March 31, 2020 and March 31, 2019.

While we believe that we maintain adequate insurance coverage amounts for our business and operations, our insurance policies do not cover all risks and are subject to exclusions and deductibles. If any or all of our facilities are damaged in whole or in part, our operations, totally or partially, may be interrupted for a temporary period.

In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar terms or favourable terms, or at all. If we were to incur an uninsured loss, or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our financial condition and results of operations.

30. *A certain amount of our revenue is generated from certain key customers, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows.*

We are dependent on a limited number of customers for a certain portion of our revenues. Our top 10 customers contributed revenues of ₹8,655.13 million, ₹5,998.04 million and ₹4,996.84 million for the Fiscals 2021, 2020 and 2019, respectively and accounted for 28.55%, 22.52% and 18.61%, respectively of our revenues from operations for the same period. There can be no assurance that our significant customers in the past will continue to place similar orders with us in the future. A significant decrease in business from any such key customer, whether due to circumstances specific to such customer or adverse market conditions affecting the steel industry or the economic environment generally, such as the COVID-19 pandemic, may materially and adversely affect our business, results of operations and financial condition.

We cannot assure you that we will be able to maintain historic levels of business from our significant customers, or that we will be able to significantly reduce customer concentration in the future. In addition, our revenues may be adversely affected if there is an adverse change in any of our customers supply chain strategies or a reduction in their outsourcing of products we offer, or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers. The loss of one or more of our significant customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows.

31. *Under-utilisation of our manufacturing capacities and an inability to effectively utilise our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.*

We are in the process of expanding our existing saleable metal capacity of 1.76 MTPA through expansion of our existing capacity for sponge iron, steel melting, rolling mill, ferro alloys and captive power plant and setting a galvanising plant, which is expected to be completed by Fiscal 2022. Further, as part of our Green Field expansion, we have entered into an MoU with Government of Chhattisgarh to set up a steel unit in Chhatisgarh which if we decide to set-up, will further increase our capacity.

For details of our aggregate installed capacity, production volumes, and the capacity utilization of each of the products manufactured by our Company, for the last three years, please see "*Our Business – Capacity and Capacity Utilization*" on page 167. In the Fiscal 2021, our capacity utilisation was impacted by the closure of our facilities during the COVID-19 pandemic related lockdown period. These figures are not indicative of future capacity utilisation rates, which is dependent on various factors, including demand for our products, availability of raw materials, customer preferences, our ability to manage our inventory and implement our growth strategy of improving operational efficiency. Under-utilisation of our manufacturing capacities over extended periods, or significant underutilisation in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

Further, we have made certain investments for the expansion of our manufacturing capacities and are continuing to undertake additional investments. The success of any capacity expansion and expected return on investment on capital invested is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner, recruit and ensure satisfactory performance of personnel to further grow our business, and the ability to absorb additional infrastructure costs and develop new expertise and utilise the expanded capacities as anticipated. In case of oversupply in the industry or lack of demand, we may not be able to utilise our expanded capacity efficiently.

32. *Our profitability may be adversely affected if investments made by our Company do not perform as anticipated.*

Our Company has invested in, and from time to time will invest in our Subsidiaries and Joint Venture. As on the date of this Draft Red Herring Prospectus, our Company has invested ₹ 30.69 million, in Chhattisgarh Captive Coal Mining Private Limited, a joint venture company, whose coal allocation block has been cancelled vide order dated September 24, 2014, passed by the Supreme Court. Our Company reviews and recognizes the decline in the investment value and will continue to do so in future. We continue to make investments in expanding our manufacturing capacities as well as enhancing our brand recognition. We intend to make significant investments into the proposed Brown Field Expansion and Green Field Expansion. While we believe that we have decided to make these investments after factoring in all relevant variables, we cannot assure that these investments would yield the desired results.

If our Company is unable to benefit from the synergies or efficiencies expected from these investments, or provide for the decline in the value of such investments, our profitability may be adversely affected.

33. *Any inability to obtain, renew or maintain the statutory and regulatory permits, licenses and approvals required to operate our business could have a material adverse effect on our business.*

We require various statutory and regulatory permits, licenses and approvals for our business activities, including environmental clearances and factory licenses. For instance, various permissions are required for setting up and commissioning manufacturing activities under and various additional permits and approvals would be required for setting up additional manufacturing facilities on the parcels of the land available to our Company under Green Field Expansion and Brown Field Expansion.

While there are no past instances of failure to renew or maintain material regulatory approvals, there can be no assurance that the relevant authorities will issue such permits or approvals in the time frame anticipated by us or, on favourable terms, or at all. Any inability on our part to obtain and maintain the requisite licenses, permits, approvals etc., in a timely manner or at all, or to renew or maintain existing permits or approvals, or to comply with the terms and conditions prescribed in such permits or approvals, may result in the interruption of our operations, (including suspension or termination of our mining leases), which in turn could adversely effect on our business, financial condition and results of operations. An inability to obtain, maintain or renew approvals or licenses required for our operations may adversely affect continuity of our operations or result into breach of our contractual obligations.

Furthermore, such government approvals and licenses are subject to numerous conditions, some of which are onerous and may require us to make substantial expenditure. For details of material approvals, see the section "*Government and Other Approvals*", on page 314. If we fail to comply, or a regulator claims that we have not complied with these conditions, we may be subject to severe penalties or our operations may be ceased by the regulator which may adversely affect our cash flows, business, results of operations and financial condition, and our ability to bid for future projects.

34. ***Our success largely depends on our Promoters, senior management and key managerial personnel, and our ability to attract and retain such senior management.***

We are highly dependent on our Individual Promoters, senior management and other key managerial personnel. Their extensive experience in the steel, mining and power industries and in-depth knowledge of various aspects of our business operations, are critical to our future performance and continued success. Competition for senior management and key managerialpersonnel in the steel, mining and power industries is intense. While we believe we have appropriate retention practices in place, we may not be able to retain our senior management and key managerial personnel, or attract and retain new senior management and key managerial personnel in the future. The loss of any of these key managerial personnel could adversely affect our business and results of operations.

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

We have not declared dividends in the Fiscals 2021, 2020 and 2019. Our business is inherently capital intensive, and the amount and frequency of our future dividend payments, if any, will depend on our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and other factors. The declaration and payment of dividends will be recommended and/or approved by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. Additionally, our ability to pay dividends is and may be subject to restrictive covenants contained in the financing related agreements we have entered into and will enter into in the future. For instances as per certain financing related agreements our Company cannot declare dividend without their prior written consent of the lenders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, profits, capital requirements, contractual obligations and restrictions, restrictive covenants in financing arrangements, our overall financial condition and other factors considered relevant by our Board. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realisation of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. Further, our Subsidiaries and Joint Venture may not pay cash dividends on shares that we hold in them.

36. ***Some of our Group Companies have incurred losses in preceding three Fiscals.***

The details of our Group Companies, which have incurred losses in preceding three Fiscals is as follows:

(₹ in million)

Name of the Group Companies	Fiscal 2021	Fiscal 2020	Fiscal 2019
S. B. Multimedia Private Limited	5.74	(12.46)	107.48
Shri Bajarang Ispat and Plywood Limited	0.76	0.91	(0.35)
Shree Bajrang Agro Processing Limited	0.06	(1.48)	0.01

There can be no assurance that these Group Companies will not incur losses in the future or that there will be an adverse effect on our Company's reputation or business as a result of such losses.

37. ***Our Company had issued and allotted 4,950,000 Equity Shares of face value of ₹ 10 each on March 3, 2004, as partly paid up shares. The call money with respect to this allotment of partly paid-up shares made by our Company, may not be compliant with the Companies Act, 1956.***

Our Company had issued and allotted 4,950,000 Equity Shares of face value of ₹ 10 each on March 3, 2004. These equity shares were issued as partly paid shares and in terms of Section 91 of the Companies Act, 1956, our Company was required to make calls on a uniform basis for the aforesaid allotment of equity shares. However, the calls made by our Company in 2004, 2005 and 2006, in connection with the said Equity Shares, were not uniform. While our Company received the full consideration for such shares over the aforesaid period, we cannot assure you that this lapse will not result in adverse regulatory action being taken against our Company. For further details, refer to "*Capital Structure*" on page 68.

38. ***Our Promoters and Promoter Group will continue to retain control over our Company after completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

After the completion of the Issue, our Promoters and Promoter Group will hold [●]% of our issued and paid-up equity share capital. Following the completion of the Issue, our Promoters and Promoter Group will continue to hold majority of our post-Issue Equity Share capital. Accordingly, our Promoters and Promoter Group will continue to significant influence over our business and all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of the Promoters. Further, the Promoters' shareholding may limit the ability of a third party to acquire control of our Company. The interests of our Promoters as our Company's controlling shareholder, could conflict with our Company's interests, your interests or the interests of our shareholders. There is no assurance that the Promoters will not act or vote in a manner which may conflict with the best interests of the Company or that of minority shareholders.

39. ***Financials statements of our Joint Venture company have not been audited.***

The Restated Financial Statements included in the Draft Red Herring Prospectus also includes financials of our Joint Venture, being CCCMPL in which we have a holding of 19.00%. However, the financial statements for the Joint Venture have not been audited by its statutory auditor and have been certified by the management of CCCMPL. We cannot assure you that the subsequent audit of CCCMPL will not have any material impact on the Restated Financial Statements.

40. ***If we are unable to invest in new technologies and equipment, our cost of processing may increase relative to our competitors, which may have an adverse impact on our business, results of operations and financial condition.***

We believe that going forward, our profitability and competitiveness will depend in large part on our ability to maintain a low cost of operations, including our ability to process and supply sufficient quantities of our products as per required specifications. While we believe that we have a strong focus on process improvement, and have achieved significant technological advancements, if we are unable to respond or adapt to changing trends and standards in technologies and equipment, or otherwise adapt our technologies and equipment to changes in market conditions or requirements, in a timely manner and at a reasonable cost, we may not be able to compete effectively, and our business, financial condition and results of operations may be adversely affected.

41. ***The profitability of our power business is dependent on our ability to operate our manufacturing Units at optimal levels, sale of power at favorable terms and our ability to manage costs. If we are unable to manage our costs effectively or operate our units at optimal levels, our business prospects, financial condition and results of operations may be materially and adversely affected.***

The profitability of our power business is largely a function of how effectively we are able to manage our costs during the term of our contracts and our ability to operate our manufacturing Units at optimal levels. Power generation by our Subsidiary IAHEPL's power plant is dependent on flow of water in ChanjuNallah, a tributary of Bairanallah and sub tributary of river Ravi. While the location of our project should provide perennial flow of water, the flow is dependent on weather patterns which are beyond our control. Further, our ability to operate the aforementioned plant may be impaired if there is presence of silt beyond acceptable levels in the water which is flowing through our turbines.

A majority of our power sales from IAHEPL's power plant are made through a PPA between IAHEPL and the Haryana Power Purchase Centre. For further details, see "*Our Subsidiaries and Joint Venture*" on page 187. IAHEPL's PPA also requires IAHEPL to guarantee certain minimum performance standards, such as plant availability and generation capacity. The said PPA may be terminated upon the triggering of "events of default" stipulated in the PPA, or may otherwise be discontinued, and any such termination or other discontinuance, would adversely affect our business and financial condition. Moreover, there can be no assurance that we will be able to replace the Haryana Power Purchase Centre as a customer, in the event that the Haryana Power Purchase Centre ceases to purchase power from us on favourable terms or at all. If our facilities do not meet the required performance standards, our customers will not reimburse us for any increased costs arising as a result of our manufacturing Units' failure to operate within the agreed norms, which in turn may affect our results of operations.

In addition to the performance requirements specified in IAHEPL's long-term PPAs and other agreements, national and state regulatory bodies and other statutory and government mandated authorities may, from time to time, impose minimum performance standards upon us. Failure to meet these requirements could expose us to the risk of penalties. Any of the foregoing could have an adverse effect on our business, financial condition and results of operation.

42. ***Our business is seasonal in nature and therefore our results of operations for any quarter in a given year may not, therefore, be comparable with other quarters in that year.***

Demand for our products is seasonal as climatic conditions, particularly the monsoon, affect the level of activity in the construction industry. As a result, we usually experience relatively weaker sales volume during the monsoon, and somewhat stronger sales in other seasons. We expect our results of operations will continue to be affected by seasonality in the future. Our results of operations for any quarter in a given year may not, therefore, be comparable with other quarters in that year.

43. ***We appoint contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.***

In order to retain flexibility and control costs, our Company appoints independent contractors who in turn engage on-site contract labour for performance of certain of our operations. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

44. ***Information relating to our saleable metal capacities, manufacturing capacities and capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity utilization may vary.***

Information relating to our saleable metal capacity, manufacturing capacities, capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus are based on various assumptions and estimates of our management that have been taken into account by an independent chartered engineer in the calculation of our saleable metal capacity, the manufacturing capacity and capacity utilization of our manufacturing facilities. These assumptions and estimates relating to the manufacturing capacity include the standard capacity calculation practice of steel industry after examining the calculations and explanations provided by the Company and the capacities and other ancillary equipment installed at the manufacturing facilities.

Actual production levels and future capacity utilization rates may vary significantly from the estimated production capacities of our manufacturing facilities and historical capacity utilization rates. Actual utilization rates may differ significantly from the estimated capacities or historical estimated capacity utilization information of our manufacturing facilities. Undue reliance should therefore not be placed on our capacity or historical estimated capacity utilization information for our existing manufacturing facilities included in this Draft Red Herring Prospectus. For further information, see *"Our Business"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operation"* on pages 152 and 278, respectively.

45. ***Our business, financial condition and results of operations have been and may continue to be materially adversely affected by the COVID-19 pandemic.***

Since late 2019, the outbreak of COVID-19 has resulted in a global health crisis and triggered a global economic downturn and contraction. Governments across the world instituted measures to control the spread of COVID-19, including lockdowns, quarantines, shelter-in-place orders, school closings, travel restrictions, and closure of non-essential businesses. The negative effects of the pandemic on, among other things, supply chains, global trade, mobility of persons, business continuity and demand for goods and services have been sizable. In order to contain the spread of COVID-19, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, has been progressively relaxed. State governments in India also announced state level lockdowns. In compliance with the lockdown orders announced by the governments of the states where our manufacturing facilities are located, we temporarily closed our Units. We gradually re-opened our Units in compliance with state level directives over the months of April and May 2020. During the period that our manufacturing facilities were closed, our production was completely halted, and we were also unable to sell our long steel and allied products due to movement restrictions. This adversely affected our sales volumes and revenues.

Due to the lockdown, decrease in the demand for our products and the closure of our manufacturing facilities, our results of operation and profitability were adversely impacted for certain period. Further, as a consequence of the COVID-19 outbreak, we have had to implement various changes to our operations in order to manage risk and we adopted additional health and safety guidelines at our manufacturing facilities and offices. There can be no assurance that these measures or any additional measure that we implement in the future would be adequate to protect our operations from the long-term impact of the COVID-19 pandemic. The pandemic may also cause additional disruptions to operations if our employees or staff become sick, are quarantined, or are otherwise limited in their ability to travel or work.

Recently, from March 2021 to May 2021, due to an increase in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews and other restrictions to curb the spread of the corona virus. As a result of the detection of new strains and subsequent waves of COVID-19 infections in several states in India, operations of our customers were again subject to further reinstatements of lockdown protocols or other restrictions, which may have had adversely affected our business operations. Given the rapidly changing implications of the spread of COVID-19 pandemic, it is difficult to assess its impact on our business and results of operations at this time.

There can be no assurance that there will not be a continued occurrence or a recurrence of an outbreak of COVID-19, or another significant global outbreak of a severe communicable disease. While there have been progressive relaxations and calibrated easing of lockdown measures by the Government, we cannot predict if stricter lockdowns will not be re-introduced or extended in the future to mitigate such events. The degree to which the COVID-19 pandemic further affects our results of operations will depend on future developments which are highly uncertain and cannot be predicted, including but not limited to the duration and spread of the COVID-19 pandemic, its severity, the actions to contain the COVID-19 pandemic or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume.

46. ***BSE has in the past, suspended the trading of equity shares of Shri Bajrang Alliance Limited, our Group Company, on grounds of alleged non-compliance with Listing Agreement.***

The equity shares of Shri Bajrang Alliance Limited (formerly known as Shri Bajrang Alloys Limited) were suspended from trading on the BSE with effect from January 14, 2003, for a period of three days on account of violation of clauses 16 of the listing agreement it had entered into with the Stock Exchanges. Further, the equity shares of Shri Bajrang Alliance Limited were suspended from trading on the BSE with effect from April 20, 2003 for the non-compliance of clause 41 of the aforementioned listing agreement. Subsequently, BSE vide its notice dated May 23, 2006, intimated that the suspension of the trading of securities of Shri Bajrang Alliance Limited be revoked with effect from May 26, 2006.

47. ***Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilize Net Proceeds towards (i) repayment and/or pre-payment, in full and/or part, of certain borrowings of our Company, (ii) funding incremental working capital requirements of our Company and (iii) general corporate purposes. For details, see "*Objects of the Issue*" on page 90. The selection of borrowing proposed to be repaid from our Company's facilities is based on *inter alia*, the nature and timing of such loans, their tenure, and the conditions specified for their repayment/prepayment. Further, a certain portion of the total Net Proceeds have been allocated towards general corporate purposes. Accordingly, no tangible assets will be created from the portion of the Net Proceeds proposed to be utilised for the pre-payment/repayment of the loans availed by our Company from our lenders. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our operations.

Our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. The requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders of our Company, may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. We cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity.

As detailed above, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition, by redeploying the unutilized portion of Net Proceeds, if any, and such inability could in turn adversely affect our operations and profitability.

48. ***A portion of the Net Proceeds, may be utilized for repayment or pre-payment of loans taken from State Bank of India, which is an affiliate of one of the Book Running Lead Managers.***

We propose to repay loans from the Net Proceeds as disclosed in "*Objects of the Issue*" on page 90, including loans obtained from State Bank of India ("**SBI**"). SBI is the promoter of SBI Capital Markets Limited, one of our Book Running Lead Managers, however, SBI is not an associate of the Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("**SEBI Merchant Bankers Regulations**"). Loans and facilities sanctioned to our Company by SBI is a part of its normal commercial lending activity and we do not believe that there is any conflict of interest under the SEBI Merchant Bankers Regulations, or any other applicable SEBI rules or regulations. For details, see "*Objects of the Issue*" on page 90.

49. ***We have availed of certain unsecured loans which, subject to the terms and conditions of the relevant agreements, may be recalled at any time.***

We have currently availed unsecured loans which may be recalled by the lenders at any time. As on March 31, 2021, the unsecured loan availed by us was ₹2,176.08 million. In the event that any lender seeks a repayment of any such loan, the relevant borrower would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all, and, may not have adequate working capital to undertake new projects or complete ongoing projects. As a result, any such demand may affect our business, cash flows, financial conditions and results of operations. For details in relation to the indebtedness of our Company, see "*Financial Indebtedness*" on page 275.

50. ***Our Company has in the past entered into related party transactions and may continue to do so in the future.***

Our Company has entered into transactions with several related parties, including our Promoters, Promoter Groups, our Subsidiaries, our Group Companies and others, in recent Fiscals.

Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial conditions and results of operations. The transactions we have entered into and any future transactions with our related parties, have involved or could potentially involve, conflicts of interest. For further details of such related party transactions, please see "*Related Party Transactions*" on page 228.

51. ***Our Individual Promoters and Directors have interests in our Company other than reimbursement of expenses incurred, normal remuneration and benefits. Although, transactions with our Promoters and/or Directors are typically undertaken at an arm's length basis, there may be potential conflicts of interests between our Company and such Directors in light of such transactions entered into with our Company.***

Our Promoters and members of the Promoter Group are interested in us to the extent of their direct and indirect shareholding in us and dividend entitlement in relation thereto and loans given by such members of our Promoter and members of the Promoter Group to our Company, Subsidiaries and Joint Venture. Our Directors are also interested in our Company to the extent of remuneration paid to them for services rendered as Directors of our Company and reimbursement of expenses payable to them. Our Directors may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. Certain of the Directors, our Promoters and Key Managerial Personnel may be deemed to be interested to the extent of securities held by them, directly or indirectly, in us.

Our Company has entered into an agreement dated April 1, 2019 with one of our Individual Promoter and Managing Director, Narendra Goel in connection with supply for one of key raw material i.e, dolomite. The amount involved in the related party transactions entered into by the Company with our Individual Promoters and Directors was ₹2.58 million, ₹ 0.43 million and ₹ 0.90 million in the Fiscal 2021, 2020 and 2019, respectively. Further our Company and certain Individual Promoters namely Suresh Goel, Anand Goel and Narendra Goel and their relatives namely, Neeta Goel, Bajrang Goel and Aruna Goel have entered into the agreements to sale vis-à-vis certain land for which advance was paid by our Company, which were subsequently cancelled on June 28, 2021. Our Company has also entered into a purchase agreement dated January 1, 2021 with S.B. Multimedia Private Limited, member of the Promoter Group, for certain parcel of lands. For details, see "*Our Management*" and "*Financial Statements*" on page 192 and page 230, respectively.

Although, such transactions are typically undertaken at an arm's length basis, there may be potential conflicts of interests between our Company and such Directors in light of such transactions entered into with our Company, which conflict could adversely affect our operations and/or our results of operations.

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

We have commissioned the services of an independent third-party research agency, IRR Advisory Services Private Limited appointed by us on May 14, 2021, to prepare an industry report titled "*Overview of Steel Sector in India*" dated June 24, 2021, for purposes of inclusion of such information in this Draft Red Herring Prospectus. The report uses certain methodologies for market sizing and forecasting. Neither we, nor any of the BRLMs have independently verified such data and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. Such data may also be produced on different bases from those used in the industry publications we have referenced. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. Further, the methodology for computation of certain financial data by IRR Advisory Services Private Limited is based on their research on sales of products in the steel manufacturing markets and in relation to specific geographic areas. Such methodology by IRR Advisory Services Private Limited may be different from the methodology we adopt and accordingly, the details of sales, market share and financial data included in the IRR Advisory Services Private Limited may not accurately reflect our revenues, results of operations and financial results. For further details, see "*Certain Conventions, Presentation of Financial, Industry and Market Data*" and "*Industry Overview*" on pages 14 and 106, respectively.

53. ***The Restated Financial Statements included in this Draft Red Herring Prospectus may not be comparable with the audited financial statements for the corresponding periods.***

The Restated Financial Statements included in this Draft Red Herring Prospectus have taken into consideration all material adjustments, which have been reflected in the corresponding period and accordingly the Restated Financial Statements may vary from the audited financials for the respective years or periods, as available on the website of the Company at www.sbpil.co.in. Further we cannot assure you that the comparative descriptions of Restated Financial Statements included in this Draft Red Herring Prospectus, including in the section *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* on page 278, provide any meaningful analysis for audited financials for the same periods.

On account of such differences, our, investors will not have the benefit of considering comparable performance over prior periods and any reliance on our Restated Financial Statements or the audited financial statements for any of our prior periods should be accordingly limited.

54. ***Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.***

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA margin, net debt-to-equity ratio and net debt-to-EBITDA have been included in this Draft Red Herring Prospectus. These non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

55. ***Enforcement of pledge of shares held by our Company in one of our Subsidiaries, in favor of lender, may adversely affect our business and results of operations.***

Our Company has pledged their shares in one of our Subsidiaries, IA. Hydro Energy Private Limited to the lender. If we fail to satisfy our debt service obligations as they become due, the lenders could exercise their creditors' rights, and enforce the pledge of equity shares held by our Company in such Subsidiary. If we are unable to source funds to repay such indebtedness within the period specified by the creditors, the creditors could sell the equity shares of IA. Hydro Energy Private Limited to third parties. We may not be able to repurchase the equity shares and a large part of our Subsidiary would be held by lenders and third parties which would adversely affect our business and the results of operation.

External Risks Factors:

56. ***The demand for our products is largely dependent on the level of investments and government's spending on infrastructure projects in India. Any economic downturn or other factors adversely affecting investments in this sector may result in a decrease in the demand for our services and adversely affect our business, results of operations and financial condition.***

Our business depends upon the continued spending by the relevant government agencies on infrastructure projects such as roadways, thermal and hydel power, railways, metro rails, airports etc. Such investement may be subject to multiple variables, including variations in the nature, scale, location and timing of the government's investment plans. These factors include the government's policy and priorities regarding different regional economies across India and the general condition and prospects of the overall economy of India. Any significant reduction in the government's budget relating to infra structure spending, particularly the roadways, thermal and hydel power, railways, metro rails, airports and real estates, will lead to a decline in revenue arising from a smaller number of projects and/or a decline in profit margin due to increased competition for available projects. This could have a material and adverse effect on our business, financial position and results of operations.

57. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate and high rates of inflation in India could decrease our operating margins.

58. ***Adverse geopolitical conditions could adversely affect our business, results of operations and financial condition.***

Adverse geopolitical conditions such as increased tensions between India and China/ Pakistan resulting in any military conflict in the region could adversely affect our business and operations. Such events may lead to countries imposing restrictions on the import or export of products or raw materials, among others, and affect our ability to procure raw materials required for our manufacturing operations. We could also be affected by the introduction of import tariffs in India, or in the countries to which we export our products, or changes in trade agreements between countries.

59. ***The occurrence of natural or man-made disasters or outbreak of global pandemics, such as the COVID-19 pandemic, could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, infectious disease outbreaks such as the COVID-19 pandemic and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or politic al events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

60. ***A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our Company's control. As of the date of this Draft Red Herring Prospectus, India was rated Baa3 (Negative) by Moody's, BBB- (Negative) by Fitch and BBB- (Stable) by S&P. Going forward, the sovereign ratings outlook will remain dependent on whether the Government of India is able to transition the economy out of a low-growth and high inflation environment, as well as exercise adequate fiscal restraint. However, in the event of a major economic slowdown, S&P had indicated that India may have its debt downgraded. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets.

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

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in India 's sovereign debt rating or a decline in India 's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, financial condition and the trading price of the Equity Shares. India 's economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the Government of India towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India 's foreign exchange reserves may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

India has from time to time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus.

Other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our development s and expansions; volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets and other significant regulatory or economic developments in or affecting India.

63. ***If inflation were to rise in India, we might not be able to increase the prices of our products at a proportionate rate in order to pass costs on to our clients thereby reducing our margins.***

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

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

Further, the Government of India has previously initiated economic measures to combat high inflation rates, including by increasing benchmark interest rates. Any such change may adversely impact overall economic activity and capital expenditure plans of various companies and there can be no assurance that Indian inflation levels will not worsen in the future.

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

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

65. ***A third party could be prevented from acquiring control of us post this Issue, because of anti-takeover provisions under Indian law.***

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

66. ***Investors may not be able to enforce a judgment of a foreign court against us.***

Our Company is a company incorporated under the laws of India. All of our Company's Directors and officers are residents of India and all of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13, Section 14 and Section 44A of the Code of Civil Procedure, 1908 ("**CPC**"). India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India.

Risks Relating to the Equity Shares and this Issue

67. ***The trading volume and market price of the Equity Shares may be volatile following the Issue.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

68. ***The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Managers through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Issue Price*" on page 100 and may not be indicative of the market price for the 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. We cannot assure you that investors will be able to resell their Equity Shares at or above the Issue Price.

69. ***The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world.

70. ***Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.***

Our Restated Financial Statements for Fiscal 2021, 2020 and 2019, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

71. ***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 in an Indian company are generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. 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 will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is 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 a gain upon the sale of the Equity Shares.

The Government of India has recently announced the union budget for Fiscal 2022, pursuant to which the Finance Act has undergone various amendments. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

72. *Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares.*

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters or members of Promoter Group may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our existing Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

73. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 354.

74. ***QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid, and Retail Individual Bidders are not permitted to withdraw their Bids after closure of the Bid/ Issue Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within six Working Days from the Bid/ Issue Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

75. ***Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited with the Equity Shares within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately six Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

SECTION III – INTRODUCTION

THE ISSUE

The following table summarises the Issue details:

Issue*	**Up to [●] Equity Shares aggregating up to ₹ 7,000.00 million**
The Issue consists of:	
Of which	
(a) QIB Portion	Not more than [●] Equity Shares
Of which	
Anchor Investor Portion	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
Of which	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion (excluding the Anchor Investor Portion))	Up to [●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares
(b) Non – Institutional Portion	Not less than [●] Equity Shares
(c) Retail Portion	Not less than [●] Equity Shares
Pre and post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	52,284,620 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Utilisation of Net Proceeds	For details, see the section titled "*Objects of the Issue*" on page 90.

**Our Board has approved the Issue pursuant to the resolution passed at its meeting held on June 15, 2021 and our Shareholders have approved the Issue pursuant to a special resolution passed on June 18, 2021.*

Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. For details, see "*Issue Procedure*" on page 336.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange. Under-subscription, if any, in the Net QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories.

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price, as applicable. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For further details, see the sub-section titled "*Issue Procedure – Allotment Procedure and Basis of Allotment*" on page 336.

SUMMARY FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 230 and 278, respectively.

[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

RESTATED CONSOLIDATED IND AS SUMMARY OF ASSETS AND LIABILITIES

(Amount in ₹ million)

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
I. ASSETS			
(1) Non-current Assets			
(a) Property, Plant & Equipment	15,203.50	14,880.69	14,134.37
(b) Capital work-in-progress	1,387.94	1,081.28	1,316.49
(c) Investment Property	215.60	166.90	171.20
(d) Intangible Assets	126.60	131.91	137.21
(e) Goodwill (Consolidation)	83.88	83.88	83.88
(f) Financial Assets			
(i) Investments	22.06	22.24	22.07
(ii) Others	77.56	99.31	96.56
(g) Other Non-current assets	650.82	748.15	86.02
Total Non-Current Assets	**17,767.96**	**17,214.35**	**16,047.80**
(2) Current Assets			
(a) Inventories	5,999.63	4,672.26	3,685.09
(b) Financial Assets			
(i) Trade Receivables	1,785.94	678.42	960.77
(ii) Cash and cash equivalents	156.10	24.96	20.55
(iii) Bank Balance other than Cash and cash equivalents	319.10	323.09	173.63
(iv) Loans	1.60	199.57	31.05
(v) Other Financial Assets	61.76	24.11	18.88
(c) Current Tax Assets (Net)	3.64	23.14	-
(d) Other Current Assets	2,295.55	1,853.76	1,822.15
Total Current Assets	**10,623.33**	**7,799.30**	**6,712.11**
TOTAL ASSETS	**28,391.28**	**25,013.65**	**22,759.91**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	522.85	522.85	522.85
(b) Other Equity	11,837.60	8,716.08	7,258.13
Equity Attributable to owners of the Company	12,360.45	9,238.92	7,780.98
Non Controlling Interests	73.22	70.15	70.97
Total Equity	**12,433.67**	**9,309.07**	**7,851.95**
(2) **Non-Current Liabilities**			
(a) Financial Liabilities			
(i) Borrowings	8,793.72	8,640.98	8,205.22
(b) Provisions	108.77	96.41	71.30
(c) Deferred Tax Liabilities (Net)	838.74	249.81	134.34
Total Non-Current Liabilities	**9,741.24**	**8,987.21**	**8,410.86**
(3) Current Liabilities			
(a) Short-Term Borrowings			
(i) Borrowings	3,065.45	3,265.58	2,981.91
(ii) Trade Payable			
-Total outstanding dues of Micro & Small Enterprises	10.82	10.08	11.78
-Total outstanding dues of creditors other than Micro & Small Enterprises	1,530.41	2,197.14	2,092.08
(iii) Other Financial Liabilities	1,096.56	788.34	917.53
(b) Other Current Liabilities	322.35	385.02	201.35
(c) Short-Term Provisions	83.72	71.21	40.49
(d) Current Tax Liabilities (Net)	107.07	-	251.97
Total Current Liabilities	**6,216.37**	**6,717.37**	**6,497.10**
TOTAL EQUITY AND LIABILITIES	**28,391.28**	**25,013.65**	**22,759.91**

RESTATED CONSOLIDATED IND AS SUMMARY STATEMENT OF PROFITS AND LOSSES (INCLUDING OTHER COMPREHENSIVE INCOME)

(Amount in ₹ million)

Particulars		As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
I.	Revenue from Operations	30,312.11	26,637.12	26,852.32
II.	Other Income	331.21	151.09	143.88
III.	**Total Revenue (I + II)**	**30,643.32**	**26,788.21**	**26,996.19**
IV.	**Expenses**			
	Cost of Materials Consumed	16,737.94	15,279.41	14,999.37
	Purchase of Stock in Trade	2,312.46	3,486.60	2,771.84
	(Increase) / Decrease In Stock in Trade	(368.31)	(374.79)	58.65
	Employees benefit Expenses	895.21	802.50	666.52
	Financial Costs	1,197.80	1,436.48	1,448.63
	Depreciation	736.59	685.30	662.22
	Other Expenses	4,775.31	3,629.01	3,177.60
Total		**26,287.00**	**24,944.52**	**23,784.84**
V.	**Profit Before Exceptional and Extraordinary Items and Tax (III-IV)**	4,356.32	1,843.70	3,211.36
VI.	**Exceptional items (Refer Note 37)**	-	-	-
VII.	**Profit Before Tax (V- VI)**	4,356.32	1,843.70	3,211.36
VIII.	**TAX EXPENSES:**			
	Net current tax	778.28	317.62	711.97
	Deferred Tax	588.71	115.55	124.69
IX.	**Profit /(Loss) for the period (VII-VIII)**	2,989.33	1,410.53	2,374.70
Add: Share in Profit of Joint Venture		0.09	(0.08)	(0.10)
Less: Minority Share in Profit		3.10	(0.81)	(0.09)
		2,986.32	1,411.26	2,374.69
X.	**Other Comprehensive Income:**			
a) Re-measurements of the defined benefit plans		6.59	(6.28)	(1.50)
b) Revaluation of Financial Assets through Other comprehensive income		3.26	(0.25)	0.11
c) Income tax relating to items that will not be reclassified to profit or loss		(0.22)	0.08	(0.03)
Less: Minority Share in Other Comprehensive Income		0.03	0.01	(0.00)
		9.66	(6.45)	(1.43)
XI.	**Total Comprehensive Income for the year (IX+X)**	**2,995.98**	**1,404.81**	**2,373.26**
XII.	**Basic / Diluted Earnings Per Equity Share**	**57.30**	**26.87**	**45.39**

RESTATED CONSOLIDATED IND AS SUMMARY STATEMENT OF CASH FLOWS

(Amount in ₹ million)

Particular	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before Tax	4,356.32	1,843.70	3,211.36
ADJUSTMENTS FOR:			
Depreciation	736.59	685.30	662.22
Financial Cost	1,197.80	1,436.48	1,448.63
Interest Received	(164.65)	(102.38)	(106.36)
Provision for Bad & Doubtful Debt	6.99	1.73	2.57
Share in Profit of Joint Venture	0.09	(0.08)	(0.10)
Dividend Income	(0.04)	(0.00)	-
(Profit)/Loss on Sale of Fixed Asset	0.42	2.03	(1.42)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6,261.37	3,919.54	5,135.33
ADJUSTMENTS FOR CHANGE IN CURRENT ASSETS & LIABILITIES:			
(Increase)/Decrease in Inventories	(1,327.38)	(987.17)	(1,254.35)
(Increase)/Decrease in Sundry Debtors	(1,114.50)	280.62	(225.47)
(Increase)/Decrease in Other Current Assets	(259.45)	(228.50)	(955.57)
Increase/(Decrease) in Current Liabilities & Provision	(300.87)	(63.39)	216.32
Increase/(Decrease) in Non-Current Provisions	18.95	18.83	11.95
CASH GENERATED FROM OPERATIONS	3,278.13	2,939.92	2,928.20
Direct Taxes Paid/Deducted at Source	778.28	317.62	711.97
NET CASH FROM OPERATING ACTIVITIES A	**2,499.85**	**2,622.31**	**2,216.24**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Deletion/(Addition) to PPE (Including Goodwill)	(1,429.06)	(1,248.09)	(1,137.76)
Increase/(Decrease) in Long-Term Loans & Advances	119.08	(664.87)	80.82
Sale of Fixed Asset	16.89	59.61	38.71
Dividend Income	0.04	0.00	-
Interest Received	164.65	102.38	106.36
(Increase) / Decrease in Bank Balance other than Cash & Cash Equivalent	3.99	(149.46)	(28.56)
(Increase) / Decrease in Investments	0.91	(0.42)	0.10
NET CASH USED IN INVESTING ACTIVITIES B	**(1,123.51)**	**(1,900.84)**	**(940.32)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(Decrease) in Long-Term Borrowings	152.74	435.76	140.59
Increase/(Decrease) of Other Long-Term Liabilities	-	-	(60.80)
Increase/(Decrease) in Short-Term Borrowings	(200.13)	283.66	94.56
Financial Cost	(1,197.80)	(1,436.48)	(1,448.63)
NET CASH USED IN FINANCING ACTIVITIES C	**(1,245.20)**	**(717.06)**	**(1,274.28)**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	131.15	4.41	1.64
Cash and Cash Equivalents at the beginning of the year	24.96	20.55	18.91
Cash and Cash Equivalents at the end of the year	**156.10**	**24.96**	**20.55**
Components of cash and cash equivalents as at			
Cash in hand	9.03	6.64	4.51
With banks: On Current Account	147.07	18.31	16.04
Cash and Cash Equivalents at the end of the year	**156.10**	**24.96**	**20.55**

GENERAL INFORMATION

Our Company was incorporated as "*Shri Bajrang Power and Ispat Limited*" on July 25, 2002 at Gwalior as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the RoC. Our Company received the certificate for commencement of business dated February 5, 2004, issued by the RoC. For further details on the changes in the name and registered office of our Company, see "*History and Certain Matters*" on page 180.

Registered Office

Village Borjhara
Urla Guma Road
Urla Growth Center
Raipur- 493221
Chhattisgarh, India
Website: www.sbpil.co.in

Corporate Office

808/A, C Wing, One BKC
G Block, Bandra-Kurla Complex
Mumbai 400 051
Maharashtra, India

Company Registration Number: 015184

Corporate Identification No: U27106CT2002PLC015184

Address of the Registrar of Companies

Our Company is registered with the RoC, located at the following address:

Registrar of Companies
1st Floor, Ashok Pingley Bhavan
Municipal Corporation, Nehru Chowk
Bilaspur – 495 001
Chhattisgarh, India
Telephone: +91 7752- 250092/ 250094

Board of Directors

The following table sets out the brief details of our Board as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Suresh Goel	Chairman and Executive Director	00115834	Near Dhebar Gali, Hari Chhaya Shankar Nagar, Raipur – 492007, Chhattisgarh, India
Rajendra Goel	Executive Director	01263958	Gurudwara Road, Hari Kripa Ravi Nagar, Raipur - 492004, Chhattisgarh, India
Narendra Goel	Managing Director	00115883	Near Dhebar Gali, Hari Kunj, Shankar Nagar, Raipur- 492007, Chhattisgarh, India
Anand Goel	Executive Director	00796135	Behind Ganesh Temple, Hari Prateek, C-10, Anupam Nagar, Shankar Nagar, Raipur – 492007, Chhattisgarh, India
Shravan Kumar Goyal	Whole-time Director	01829618	Flat No. 4 C, Block C, Mallika Merlin Jaishree Vihar, New Mandi Road Raipur 492001, Chhattisgarh, India
Ravinder Singh Rajput	Independent Director	08145449	38, Housing Colony, Phase – 2, Bilaspur (209) – 174001, Himachal Pradesh. India
Rakesh Bhargava	Independent Director	06485964	Block – E/1, Flat No. 3C, Sail City New Pundag, Ranchi – 834004, Jharkhand, India

Name	Designation	DIN	Address
Anshul Dave	Independent Director	05123750	45/176, Edward Road, Sadar Bazar, Raipur - 492001, Chhattisgarh, India
Harsha Rungta	Independent Director	07394723	Plot No. 49/11, Nehru Nagar East, Bhilai – 490020, Chhattisgarh, India
Jayata Prakash Agarwal	Independent Director	09168917	58, Govind Marg, Sector-7, Vidyadhar Nagar Jaipur 302039, Rajasthan India

For further details of our Board of Directors, see "*Our Management – Board of Directors*" on page 192.

Company Secretary and Compliance Officer.

Parul Verma is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Village Borjhara, Guma Road
Urla Growth Center
Raipur – 493 221
Chhattisgarh
Telephone: +91 771-428819
E-mail: cs@goelgroup.co.in

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Western Regional Office, Ahmedabad, Gujarat and electronically through the SEBI Intermediary Portal at https://sipotal.sebi.gov.in, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/ 011 dated January 19, 2018 and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "*Easing of Operational Procedure – Division of Issues and Listing – CFD*".

A copy of the Red Herring Prospectus, along with the material contracts and documents are required to be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office, and through the electronic portal.

Registrar of Companies
1st Floor, Ashok Pingley Bhavan
Municipal Corporation, Nehru Chowk
Bilaspur – 495 001
Chhattisgarh, India

Book Running Lead Managers

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex
N M Joshi Marg, Lower Parel
Mumbai 400 013, Maharashtra, India
Telephone: +91 22 4332 0700
E-mail: sbpil@equirus.com
Website: www.equirus.com
Investor grievance email: investorsgrievance@equirus.com
Contact person: Mrunal Jadhav / Sagar Srivastava
SEBI registration number: INM000011286

SBI Capital Markets Limited
202, Maker Tower 'E'
Cuffe Parade
Mumbai 400 005
Maharashtra, India
Telephone: +91 22 2217 8300

E-mail: sbpil.ipo@sbicaps.com
Website: www.sbicaps.com
Investor Grievance ID: investor.relations@sbicaps.com
Contact Person: Sambit Rath/ Janardhan Wagle
SEBI Registration Number: MB/INM000003531

Syndicate Members

[●]

Statement of inter-se allocation of responsibilities among the Book Running Lead Managers

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing.	Equirus, SBICAPS	Equirus
2.	Drafting and approval of all statutory advertisements	Equirus, SBICAPS	Equirus
3.	Appointment of intermediaries viz., Registrar's, Printers, Advertising Agency, Syndicate, Sponsor Bank, Bankers to the Issue and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	Equirus, SBICAPS	Equirus
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (2) above including corporate advertisement, brochure and filing of media compliance report.	Equirus, SBICAPS	SBICAPS
5.	International Institutional marketing of the Issue, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; • Finalizing international road show and investor meeting schedule	Equirus, SBICAPS	Equirus
6.	Domestic Institutional marketing of the Issue, which will cover, inter alia: • Preparation of road show marketing presentation and frequently asked questions; • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule	Equirus, SBICAPS	SBICAPS
7.	Non-Institutional marketing of the Issue and retail marketing of the Issue, which will cover, inter alia: • Formulating marketing strategies; • preparation of publicity budget, finalizing media and public relations strategy. • Finalizing centres for holding conferences for brokers • Finalizing collection centres; • Finalising commission structure;	Equirus, SBICAPS	SBICAPS

S. No.	Activity	Responsibility	Coordinator
	• Arranging for selection of underwriters and underwriting agreement and • Follow-up on distribution of publicity and Issue material including form, prospectus and deciding on the quantum of the Issue material.		
8.	Managing the book and finalization of pricing in consultation with the Company	Equirus, SBICAPS	Equirus
9.	Coordination with Stock Exchanges for Book Building Process, filing of letters including software, bidding terminals, mock trading, payment of 1% security deposit to the Designated Stock Exchange and Anchor Investor intimation	Equirus, SBICAPS	SBICAPS
10.	Post- Issue activities, which shall involve essential follow-up with bankers to the Issue and SCSBs to get quick estimates of collection and advising our Company about the closure of the Issue, based on correct figures, finalization of the basis of allotment or weeding out of multiple applications, listing of instruments, demat credit and refunds and coordination with various agencies connected with the post-Issue activity such as Registrar to the Issue, Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Issue reports including the initial and final post Issue report to SEBI	Equirus, SBICAPS	SBICAPS

Legal Advisors to the Issue

M/s. Crawford Bayley and Co.
State Bank Building, 4th Floor
N.G.N. Vaidya Marg, Fort
Mumbai – 400 023
Maharashtra, India
Telephone: +91 22 2266 3353
E-mail: sanjay.asher@crawfordbayley.com

Registrar to the Issue

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, Lal Bhadur Shastri Marg
Vikhroli (West), Mumbai 400 083
Maharashtra, India
Telephone: +91 22 49186200
Email: bajrang.ipo@linkintime.co.in
Investor grievance e-mail: bajrang.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI registration number: INR000004058

Statutory Auditors to our Company

S S S D & Co
Chartered Accountants,
Shreemata Nilay, A-11(7)
Sector 3, Udaya Society Tatibandh
Raipur - 492009
Chhattisgarh
Telephone: +91 771-4001194
E-mail: sssdandco@gmail.com
Firm Registration No.: 020203C
Peer review No: 010757

There has been no change in our statutory auditors in the three years preceding the date of this Draft Red Herring Prospectus.

Banker(s) to our Company

Bank of Baroda
Corporate Financial Services Branch
2nd Floor, LIC Investment Building
Pandri, Raipur – 492 001
Chhattisgarh
Telephone: 0771 4223561
E-**mail**: whlrai@bankofbaroda.com
Contact person: Ritesh Kumar Singh
Website: www.bankofbaroda.com

Bank of India
Raipur main branch, Samvet Sikhar Building
Opposite Ekatama Parisar
Rajbandha Maidan
Raipur – 492 001
Chhattisgarh
Telephone: 0771 2222015/16/17/18
E-**mail**: raipur.raipur@bankofindia.co.in
Contact person: R K Dhruw
Website: www.bankofindia.com

Bank of Maharashtra
1st Floor Shree Complex
GE Road, Phool Chowk
Raipur – 492 001
Chhattisgarh
Telephone: 0771-4265618/19
E-**mail**: brmgr439@mahabank.co.in
Contact person: Vinay Ranjan
Website: www.mahabank.co.in

Karnataka Bank
Plot No.2, Taank Business Complex
Jail road, Fafadih Chowk
Raipur – 492009, Chhattisgarh
Telephone: 0771-2880021
E-**mail**: raipur@ktkbank.com
Contact person: Suman Shekhar Jha
Website: www.karnatakabank.com

State Bank of India
Commercial Branch
2nd Floor, Pujari Complex
Pachpedi Naka
Raipur, Chhattisgarh
Telephone: 09425603260
E-**mail**: sbi.08536@sbi.co.in
Contact person: Tushar Wakhale
Website: www.sbi.co.in

Banker(s) to the Issue

Escrow Collection Bank(s)

[●]

Public Issue Account Bank(s)

[●]

Refund Bank(s)

[●]

Sponsor Bank

[●]

Designated Intermediaries

Self-Certified Syndicate Bank

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than an RIB using the UPI Mechanism), not Bidding through Syndicate / Sub Syndicate or through a Registered Broker, RTA or CDP may submit the ASBA Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks eligible as Issuer Banks for UPI

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the Members of the Syndicate is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, which may be updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA Forms from Bidders, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? and https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms from Bidders at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms from Bidders at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx and on the website of NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Credit rating

As this is an Issue consisting only of Equity Shares, there is no requirement to obtain credit rating for the Issue.

Debenture trustee

As this is an Issue consisting only of Equity Shares, the appointment of a debenture trustee is not required for the Issue.

Appraising entity

No appraising entity has been appointed in relation to the Issue.

Monitoring Agency

In terms of Regulation 41(1) of the SEBI ICDR Regulations, our Company shall appoint a monitoring agency prior to the filing of the Red Herring Prospectus with the RoC.

Grading of the Issue

No credit agency registered with SEBI has been appointed for obtaining grading for the Issue.

Green shoe option

No green shoe option is contemplated under the Issue.

Expert

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

Our Company has received written consent dated July 12, 2021 from our Statutory Auditors, S S S D & Co, Chartered Accountants to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as independent statutory auditors and in respect of their (i) examination report dated July 12, 2021 on the Restated Financial Information; and (ii) report dated July 12, 2021 on the statement of possible special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

In addition, our Company has received written consents dated July 9, 2021 from Agrawal & Associates, as chartered engineer to include his name as an "expert" as defined under Section 2(38) and other applicable provisions of the Companies Act, 2013 in respect of the certificate dated July 9, 2021, on the manufacturing capacity at the Company's manufacturing facilities and its utilization at the manufacturing facilities including other details , and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Book building process

Book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band, minimum Bid Lot, will be decided by our Company in consultation with the BRLMs, and if not disclosed in the Red Herring Prospectus, will be advertised in editions of [●] and editions of [●] (which are widely circulated English daily newspapers and Hindi daily newspapers, Hindi also being the regional language of Chhattisgarh, where our Registered Office is located), at least two Working Days prior to the Bid / Issue Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Issue Price shall be determined by our Company in consultation with the BRLMs after the Bid / Issue Closing Date. For details, see "*Issue Procedure*" on page 336.

All investors, other than Anchor Investors, shall only participate through the ASBA process by providing

the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. In addition to this, the Retail Individual Bidders may participate through the ASBA process, either by (i) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (ii) using the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any state. Retail Individual Bidders can revise their Bids during the Bid / Issue Period and withdraw their Bids until the Bid / Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Buyers will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. For an illustration of the Book Building Process and further details, see "*Terms of the Issue*" and "*Issue Procedure*" on pages 327 and 336, respectively.

Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Issue. Bidders should note that the Issue is also subject to obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment. For further details on the method and procedure for Bidding, see "*Issue Procedure*" on page 336.

Bidders should note that, the Issue is also (i) subject to filing the Prospectus with the RoC; and (ii) subject to obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Underwriting Agreement

After the determination of the Issue Price and allocation of Equity Shares but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC

Name, Address and Contact Details of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in million)
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative and will be finalized after determination of the Issue Price and Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board / IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Red Herring Prospectus, is set forth below:

(In ₹ except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Issue Price*
A.	**AUTHORIZED SHARE CAPITAL**		
	100,000,000 Equity Shares of face value ₹ 10 each	1,000,000,000	
B.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**		
	52,284,620 Equity Shares of face value ₹ 10 each	522,846,200	
C.	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**(1)		
	Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ 7,000.00 million.	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares of face value of ₹ 10 each.	[●]	[●]
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	1,455,827,450	
	After the Issue	[●]	

** To be updated upon finalization of the Issue Price.*

(1) The Issue has been authorized by a resolution of our Board of Directors dated June 15, 2021 and by a special resolution of our Shareholders dated June 18, 2021.

Changes in the authorised share capital of our Company

For details of the changes to the authorised share capital of our Company in the past 10 years, see "*History and Certain Corporate Matters – Amendments to our Memorandum of Association*" on page 181.

Notes to the Capital Structure

1. Equity Share capital history of our Company

The history of the equity share capital of our Company is set forth in the table below:

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Issue Price per Equity Share(₹)	Nature of Consideration	Nature of transaction	Cumulative Number of Equity Shares	Cumulative paid up equity share capital (₹)
July 25, 2002	50,000	10	10	Cash	Subscription to Memorandum (1)	50,000	500,000
March 03, 2004	4,950,000	10	10	Cash	Further Issue (2)	5,000,000	50,000,000
March 31, 2004	131,000	10	100	Cash	Further Issue (3)	5,131,000	51,310,000
May 31, 2004	300,000	10	100	Cash	Further Issue (4)	5,431,000	54,310,000
August 31, 2004	418,000	10	100	Cash	Further Issue(5)	5,849,000	58,490,000

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Issue Price per Equity Share(₹)	Nature of Consideration	Nature of transaction	Cumulative Number of Equity Shares	Cumulative paid up equity share capital (₹)
November 30, 2004	936,000	10	100	Cash	Further Issue (6)	6,785,000	67,850,000
March 31, 2005	960,500	10	100	Cash	Further Issue (7)	7,745,500	77,455,000
May 31, 2005	623,000	10	100	Cash	Further Issue (8)	8,368,500	83,685,000
September 30, 2005	1,080,000	10	100	Cash	Further Issue (9)	9,448,500	94,485,000
January 06, 2006	391,500	10	100	Cash	Further Issue (10)	9,840,000	98,400,000
January 30, 2006	133,000	10	100	Cash	Further Issue (11)	9,973,000	99,730,000
March 14, 2006	391,500	10	100	Cash	Further Issue (12)	10,364,500	103,645,000
July 10, 2009	253,600	10	500	Cash	Further Issue (13)	10,618,100	106,181,000
March 29, 2010	85,600	10	500	Cash	Further Issue (14)	10,703,700	107,037,000
March 02, 2012	402,120	10	500	Cash	Further Issue (15)	11,105,820	111,058,200
March 27, 2012	49,400	10	500	Cash	Further Issue (16)	11,155,220	111,552,200
March 31, 2012	134,000	10	500	Cash	Further Issue (17)	11,289,220	112,892,200
October 09, 2012	373,313	10	300	Cash	Further Issue (18)	11,662,533	116,625,330
October 31, 2012	456,747	10	300	Cash	Further Issue (19)	12,119,280	121,192,800
December 21, 2012	227,450	10	300	Cash	Further Issue (20)	12,346,730	123,467,300
March 30, 2013	567,000	10	300	Cash	Further Issue (21)	12,913,730	129,137,300
March 05, 2014	62,300	10	320	Cash	Further Issue (22)	12,976,030	129,760,300
March 12, 2014	17,000	10	320	Cash	Further Issue (23)	12,993,030	129,930,300
May 12, 2014	78,125	10	320	Cash	Further Issue (24)	13,071,155	130,711,550
September 4, 2018	39,213,465	10	-	-	Bonus Issue (25)	52,284,620	522,846,200

(1) Initial subscription of 50,000 partly paid up Equity Shares issued as follows:

8,000 Equity Shares issued to Suresh Goel and 7,000 Equity Shares each issued to Rajendra Goel, Narendra Goel, Anand Goel, Dinesh Goel, Sandeep Goel and Bajrang Goel.

(2) Allotment of 4,950,000 partly paid up Equity Shares issued to the following allottees:

250,000 Equity Shares each issued to Pranav Goel, Shimmer Goel, Avneesh Goel, Aayush Goel, Archit Goel and Ashutosh Goel. 175,000 Equity Shares each issued to Pawan Goel and Bajrang Goel. 150,000 Equity Shares each issued to Rashmi Goel, Suman Goel, Kiran Goel, Aruna Goel, Neeta Goel, Sarla Goel, Ginni Devi Goel, Sandeep Goel, Dinesh Goel, Anand Goel, Rajendra Goel, Suresh Goel, Hariram Goel, Sandeep Goel & Sons (HUF), Dinesh Goel & Sons (HUF), Anand Goel & Sons (HUF), Narendra Goel & Sons (HUF), Rajendra Goel & Sons

(HUF), Suresh Goel & Sons (HUF) and Jainarayan Hariram & Sons (HUF). 100,000 Equity Shares issued to Narendra Goel. The calls were made by our Company in the year 2004, 2005 and 2006. For further details, please see "Risk Factors – Our Company had issued and allotted 4,950,000 Equity Shares of face value of ₹ 10 each on March 03, 2004, as partly paid up shares. The call money with respect to this allotment of partly paid-up shares made by our Company, may not be compliant with the Companies Act, 1956" on page 41.

(3) Allotment of 131,000 Equity Shares issued to the following allottees:

80,000 Equity Shares issued to S M Securities Limited and 51,000 Equity Shares issued to Dreamland Plantation Private Limited.

(4) Allotment of 300,000 Equity Shares issued to the following allottees:

30,000 Equity Shares issued to S M Securities Limited, 200,000 Equity Shares issued to Dreamland Plantation Private Limited and 70,000 Equity Shares issued to Aman Aluminum Private Limited.

(5) Allotment of 418,000 Equity Shares issued to the following allottees:

50,000 Equity Shares issued to Alexcy Tracon Private Limited, 60,000 Equity Shares each issued to Nandan Mercantiles Private Limited and Omni Associates Private Limited, 55,000 Equity Shares each issued to Raashman Finvest Private Limited and Sonal Tie- Up Private Limited, 75,000 Equity Shares issued to Shreevar Overseas Limited and 63,000 Equity Shares issued to Hiland Finance & Trading Private Limited.

(6) Allotment of 936,000 Equity Shares issued to the following allottees:

10,000 Equity Shares each issued to Amit Fin-Trade Limited, Ramdev Marketing Private Limited and Sonal International Limited, 20,000 Equity Shares each issued to Alexy Tracon Private Limited, Narottamka Mercantile Private Limited and Raashman Finvest Private Limited, 5,000 Equity Shares each issued to Amrutjyot Enterprises Private Limited, Bhavna Investments Private Limited, Darshani Marketing Private Limited, Data Innovation (India) Private Limited, Dhanavidhya Financial & Investments Consultancy Ser. Private Limited, Hardik Marketing Private Limited, Kamali Finstock Limited, M.A.Anandia Leasing & Finance Limited, Midas Flexipacks Private Limited, Palan Real Estate Developers Private Limited, Rudra Securities & Capital Limited, Sakira Finance Limited and Shanti Treadelink Private Limited, 40,000 Equity Shares each issued to Bakliwal Finvest Private Limited, Iris Commercial Private Limited and SCM Holdings Private Limited, 15,000 Equity Shares issued to Dhanavidhya Multisales Private Limited, 83,000 Equity Shares issued to Dreamland Plantation Private Limited, 110,500 Equity Shares issued to Gujarat Jhaveri Spinners Limited, 55,000 Equity Shares issued to NKP Holdings Private Limited, 50,000 Equity Shares each issued to NKP Fincom Private Limited and Bagamber Dealers Private Limited, 108,000 Equity Shares issued to Ranakpur Securities Limited, 35,000 Equity Shares each issued to Soanal Cosmetics (Export)Limited and Trident Lamipack Private Limited, 60,000 Equity Shares issued to Sukhvarsha Distributers Private Limited, 52,000 Equity Shares issued to Vax Housing Finance Corpon Limited and 7,500 shares issued to Venkatesh Industrial Wires Private Limited.

(7) Allotment of 960,500 Equity Shares issued to the following allottees:

19,500 Equity Shares issued to Sheth Rasayan Limited, 20,000 Equity Shares each issued to Skil-Link Tele Systems Private Limited and Napraaj Commercial Private Limited, 5,000 Equity Shares issued to Sonal International Limited, 25,000 Equity Shares each issued to Authentic Finlease Private Limited and NJ Investment Private Limited, 10,000 Equity Shares each issued to Bagambar Dealers Private Limited, Bhavna Investments Private Limited and Prabhavi Investment Private Limited, 60,000 Equity Shares issued to Bela Properties Private Limited, 35,000 Equity Shares issued to Dabriwal Investments & Financires Private Limited, 45,000 Equity Shares issued to Glamour Sales Private Limited, 120,000 Equity Shares each issued to Nexus Software Limited and Genus Commu-Trade Limited, 28,000 Equity Shares issued to Scope Sales Private Limited, 34,000 Equity Shares issued to Super Tech Leathers Private Limited, 100,000 Equity Shares issued to Supreme Telecom & Network (I) Limited, 30,000 Equity Shares issued to Trident Laxmi Pack Private Limited, 50,000 Equity Shares issued to Yuthaka Commercial Co., 20,500 Equity Shares each were issued to Ashray Finman Services Private Limited and Meghal Fin Cap Private Limited, 75,000 Equity Shares issued to Avin Star Multi Link & Information, 40,000 Equity Shares issued to Dynachem Pharmaceuticals (Export) Limited, 15,000 Equity Shares each issued to Fraternity Petro Chem Private Limited and Gujrat Jhaveri Spinners Limited, 8,000 Equity Shares issued to Shetal Securities Finance Limited.

(8) Allotment of 623,000 Equity Shares issued to the following allottees

20,000 Equity Shares each issued to Agareswar Dev Viniyog Private Limited, Magic Tech Securities Private Limited and Prabhavi Investments Private Limited, 47,000 Equity Shares issued to AHV Investment Private Limited, 38,000 Equity Shares issued to Authentic Finlease Private Limited, 41,000 Equity Shares issued to Allied Global Finance Limited, 78,000 Equity Shares issued to Blue Print Securities Limited, 68,000 Equity Shares issued to Elvis Security Private Limited, 10,000 Equity Shares each issued to Telent Infoway Limited, Buniyad Chemicals Limited and Nexus Software Limited, 30,000 Equity Shares each issued to Konark Commercial & Industries Limited, Dhanvidhya Impex Private Limited, Milinium Imports Private Limited and Shree Krishna Infrastructure Limited, 25,000 Equity Shares each issued to Vishesh Plastic Private Limited, Avin Star Multi – Link & Information Private Limited and Shree Krishna Holiday Homes & Farms Limited, 22,000 Equity Shares each issued to Bhavna Investments Private Limited. and Sun Gold Capital Limited, 15,000 Equity Shares issued to Dhanvidhya Multisales Private Limited, 6,000 Equity Shares issued to Dynachem Pharmaceuticals (Exports)Limited and 1,000 Equity Shares issued to Medha Properties Limited.

(9) Allotment of 1,080,000 Equity Shares issued to the following allottees:

31,000 Equity Shares to be allotted to Aasiyana Technocast & Scrap Private Limited, 300,000 Equity Shares allotted to Aman Aluminum Private Limited, 35,000 Equity Shares allotted to Askan Chemicals (Guj) Private Limited, 13,000 Equity Shares allotted to Avin Star Multi Link & Information Private Limited, 20,000 Equity Shares each allotted to Bhavna Investments Private Limited, Millennium Imports Private Limited and Prabhavi Investments Private Limited, 40,000 Equity Shares allotted to Buniyad Chemicals Limited, 105,000 Equity Shares allotted to G.S.R.Finvest Private Limited, 183,000 Equity Shares allotted to Hiland Finance & Trading Private Limited, 55,000 Equity Shares allotted to Rays & Arrows Finance & Investments Private Limited, 10,000 Equity Shares allotted to Talent Infoway Limited, 214,000 Equity Shares allotted to Upkar Merchants Private Limited and 34,000 Equity Shares allotted to Valiant Pharmachem Limited.

(10) Allotment of 391,500 Equity Shares issued to the following allottees:

159,000 Equity Shares allotted to Rays & Arrows Finance & Investments Private Limited and 232,500 Equity Shares allotted to Upkar Merchants Private Limited.

(11) Allotment of 133,000 Equity Shares issued to the following allottees:

10,000 Equity Shares allotted to Dreamland Plantations Private Limited and 123,000 Equity Shares allotted to Upkar Merchants Private Limited.

(12) Allotment of 391,500 Equity Shares issued to the following allottees:

356,500 Equity Shares allotted to Aman Aluminum Private Limited and 35,000 Equity Shares allotted to Hiland Finance & Trading Private Limited.

(13) Allotment of 253,600 Equity Shares issued to the following allottees:

180,000 Equity Shares allotted to S.B Multimedia Private Limited, 13,600 Equity Shares allotted to Rajendra Goel, 20,000 Equity Shares allotted to Narendra Goel and 40,000 shares allotted to Suresh Goel.

(14) Allotment of 85,600 to Sukanya Merchandise Private Limited.

(15) Allotment of 402,120 Equity Shares issued to the following allottees:

6,170 Equity Shares allotted to Banka Finance & Securities Private Limited, 44,000 Equity Shares allotted to Sukanya Merchandise Private Limited, 215,950 Equity Shares allotted to Bonus Dealcom Private Limited and 136,000 Equity Shares allotted to Priority Construction Private Limited.

(16) Allotment of 49,400 Equity Shares to Priority Constructions Private Limited.

(17) Allotment of 134,000 Equity Shares issued to the following allottees:

80,000 Equity Shares allotted to S.B. Multimedia Private Limited and 54,000 Equity Shares allotted to Shri

Bajarang Ispat and Plywood Limited.

(18) Allotment of 373,313 Equity Shares issued to the following allottees:

355,178 Equity Shares allotted to Priority Constructions Private Limited, 4,667 Equity Shares allotted to Shri Bajarang Ispat and Plywood Limited, 3,301 Equity Shares allotted to Banka Finance & Securities Private Limited and 10,167 shares allotted to Sukanya Merchandise Private Limited

(19) Allotment of 456,747 Equity Shares issued to the following allottees:

411,010 Equity Shares allotted to Banka Finance & Securities Private Limited and 45,737 Equity Shares allotted to Sukanya Merchandise Private Limited.

(20) Allotment of 227,450 Equity Shares issued to the following allottees:

33,000 Equity Shares each allotted to Shimmer Investments Private Limited and Atlanta Securities Private Limited, 3,200 Equity Shares allotted to Rashmi Goel, 5,300 Equity Shares allotted to Neeta Goel, 8,500 Equity Shares allotted to Aruna Goel, 8,900 Equity Shares allotted to Kiran Goel, 9,200 Equity Shares allotted to Sarla Goel, 350 Equity Shares allotted to Suman Goel, 13,000 Equity Shares allotted to Pawan Goel, 9,000 Equity Shares allotted to Bajrang Goel, 5,000 Equity Shares allotted to Ashutosh Goel, 4,000 Equity Shares allotted to Aayush Goel and 20,000 Equity Shares each allotted to Jai narayan Hariram Goel & Sons, Suresh Goel & Sons, Rajendra Goel & Sons and Narendra Goel & Sons and 15,000 Equity Shares allotted to Anand Goel & Sons.

(21) Allotment of 567,000 Equity Shares to Popular Mercantiles Private Limited.

(22) Allotment of 62,300 Equity Shares issued to the following allottees:

16,000 Equity Shares allotted to Ginni Devi Goel, 16,700 shares allotted to Sarla Goel, 9,000 Equity Shares allotted to Ashutosh Goel, 8,600 Equity Shares allotted to Neeta Goel, 2,500 Equity Shares each allotted to Suman Goel and Archit Goel, 4,500 Equity Shares allotted to Esha Goel, 1,500 Equity Shares allotted to Anjali Goel and 1,000 Equity Shares allotted to Pawan Goel.

(23) Allotment of 17,000 Equity Shares to Ankita Goel.

(24) Allotment of 78,125 Equity Shares issued to the following allottees:

66,250 Equity Shares allotted to Shri Bajrang Alliance Limited and 11,875 Equity Shares allotted to Anjali Goel.

(25) Bonus issue of 39,213,465 Equity Shares issued to forty three shareholders in the ratio of 3 (three) Equity Shares for every 1 (one) Equity Shares held:

For details of the bonus issue please see "Capital Structure - Equity Shares issued for consideration other than cash or out of revaluation reserves or a bonus issue" on page 72 and allottees list as per point 3 below.

2. As on the date of this Draft Red Herring Prospectus, our Company does not have outstanding preference shares.

3. Equity Shares issued for consideration other than cash or out of revaluation reserves or as a bonus issue

Our Company has not issued any Equity Shares out of its revaluation reserves. Except as set forth below, our Company has not issued any Equity Shares for consideration other than cash or as a bonus issue:

Sr. No.	Date of allotment	Name of the allottee	No. of Equity Shares allotted under the bonus issue	Face value (₹)	Nature of allotment	Benefit accrued to our Company
1.	September 4, 2018	Suresh Goel	486,000	10	Bonus issue of 39,213,465 Equity Shares in	-
2.		Rajendra Goel	480,000			
3.		Narendra Goel	321,000			

Sr. No.	Date of allotment	Name of the allottee	No. of Equity Shares allotted under the bonus issue	Face value (₹)	Nature of allotment	Benefit accrued to our Company
4.		Anand Goel	471,300		the ratio three new Equity Shares for every one existing paid up Equity Share, was authorised by the shareholders of our Company through a resolution dated September 3, 2018.	
5.		Dinesh Goel	471,000			
6.		Sandeep Goel	1,243,800			
7.		Bajrang Goel	575,700			
8.		Kiran Goel	477,600			
9.		Aruna Goel	475,500			
10.		Neeta Goel	492,600			
11.		Sarla Goel	528,900			
12.		Sandeep Goel & Sons (HUF)	450,300			
13.		Anand Goel & Sons (HUF)	495,300			
14.		Narendra Goel & Sons (HUF)	510,300			
15.		Rajendra Goel & Sons (HUF)	510,300			
16.		Jainarayan Hariram Goel & Sons (HUF)	510,000			
17.		Shri Bajrang Alliance Limited	1,890,750			
18.		Aayush Goel	762,300			
19.		Archit Goel	757,800			
20.		Ashutosh Goel	794,100			
21.		Avneesh Goel	750,000			
22.		Dinesh Goel & Sons (HUF)	450,300			
23.		Pawan Goel	569,100			
24.		Pranav Goel	750,000			
25.		Rashmi Goel	459,600			
26.		Shimmer Goel	750,300			
27.		Suman Goel	460,350			
28.		Suresh Goel & Sons (HUF)	510,300			
29.		Banka Finance & Securities Private Limited	6,235,143			
30.		Atlanta Securities Private Limited	6,118,500			
31.		S.B. Multimedia Private Limited	780,000			
32.		Shimmer Investments Private Limited	159,000			
33.		Swastik Mercantiles Limited	135,000			
34.		Sukanya Merchandise Private Limited	2,172,762			
35.		Bonus Dealcom Private Limited	2,151,900			
36.		Priority Constructions Private Limited	1,621,734			
37.		Shri Bajarang Ispat and Plywood Limited	176,001			
38.		Popular Mercantile Private Limited	1,701,000			
39.		Esha Goel	15,300			
40.		Anjali Goel	490,125			
41.		Ankita Goel	51,900			
42.		Pawan Goel & Sons (HUF)	300			
43.		Bajrang Goel & Sons (HUF)	300			

4. Allotment pursuant to a scheme approved under Sections 391-394 of the Companies Act, 1956/ Sections 230-232 of the Companies Act, 2013, as applicable

Date of High Court Order approving the Scheme	Names of parties	Details of the Scheme
November 14, 2011	Scheme of amalgamation between Shri Bajrang Metallics & Power Limited with Shri Bajrang Power and Ipsat Limited	For details of the scheme, see "*History and Certain Corporate Matters*" on page 180

Our Company has not issued any Equity Shares pursuant to the above Scheme or any other scheme approved under Sections 391-394 of the Companies Act, 1956/ Sections 230-232 of the Companies Act, 2013, as applicable.

5. Issue of Equity Shares at a price lower than the Issue price in the last one year

Our Company has not issued any Equity Shares during a period of one year preceding the date of this Draft Red Herring Prospectus and, accordingly, our Company has not issued any Equity Shares during a period of one year preceding the date of this Draft Red Herring Prospectus which may be lower than the Issue Price.

6. History of the Equity Shares capital held by our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold 18,214,374 Equity Shares, equivalent to 34.84% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoters shareholding is set below:

a. Build-up of the Promoters' shareholding in our Company

The build-up of the Equity Shares held by our Promoters since incorporation of our Company is set forth in the table below:

Date of allotment /transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%) *
A. Atlanta Securities Private Limited							
January 09, 2008	Acquisition(1)	327,000	Cash	10	10	0.63	[•]
March 30, 2008	Acquisition(2)	75,000	Cash	10	10	0.14	[•]
July 31, 2008	Acquisition(3)	1,579,500	Cash	10	10	3.02	[•]
November 18, 2008	Transfer from Authentic Finlease Private Limited	25,000	Cash	10	100	0.05	[•]
December 21, 2012	Preferential Allotment of Equity Shares	33,000	Cash	10	300	0.06	[•]
September 4, 2018	Bonus issue	6,118,500	-	10	-	11.70	[•]
Sub - Total (A)		**8,158,000**				**15.60**	
B. Banka Finance & Securities Private Limited							
December 14, 2007	Acquisition(4)	1,008,000	Cash	10	10	1.93	[•]
April 05, 2010	Acquisition(5)	317,100	Cash	10	3	0.61	[•]
April 05, 2010	Acquisition(6)	332,800	Cash	10	2	0.64	[•]
March 02, 2012	Preferential Allotment of Equity Shares	6,170	Cash	10	500	0.01	[•]
October 09, 2012	Preferential Allotment of Equity Shares	3,301	Cash	10	300	Negligible	[•]
October 31, 2012	Preferential	411,010	Cash	10	300	0.79	[•]

Date of allotment /transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%) *
	Allotment of Equity Shares						
September 4, 2018	Bonus issue	6,235,143	-	10	-	11.93	[●]
Sub - Total (B)		**8,313,524**				**15.90**	
C. Suresh Goel							
July 25, 2002	Initial subscription to Memorandum	8,000	Cash	10	10	0.02	[●]
March 3, 2004	Preferential Allotment of Equity Shares	150,000	Cash	10	10	0.29	[●]
July 10, 2009	Preferential Allotment of Equity Shares	40,000	Cash	10	500	0.08	[●]
July 24, 2009	Transfer to Swastik Mercantiles Limited	(40,000)	Cash	10	500	(0.08)	[●]
September 29, 2014	Transfer from Shri Bajrang Alliance Limited	4,000	Cash	10	320	0.01	[●]
September 4, 2018	Bonus issue	486,000	-	10	-	0.93	[●]
February 28, 2020	Transfer by way of gift from Dinesh Goel	600,000	-	10	-	1.15	[●]
February 28, 2020	Transfer by way of gift from Sandeep Goel	1,600,000	-	10	-	3.06	[●]
February 28, 2020	Transfer by way of gift to Pawan Goel	(600,000)	-	10	-	(1.15)	[●]
December 24, 2020	Transfer by way of gift to Avaneesh Goel	(562,000)	-	10	-	(1.07)	[●]
December 24, 2020	Transfer by way of gift to Pranav Goel	(562,000)	-	10	-	(1.07)	[●]
December 24, 2020	Transfer by way of gift to Sandeep Goel	(562,000)	-	10	-	(1.07)	[●]
December 24, 2020	Transfer by way of gift to Shimmer Goel	(562,000)	-	10	-	(1.07)	[●]
Sub - Total (C)		**Nil**				**0.00**	
D. Rajendra Goel							
July 25, 2002	Initial subscription to Memorandum	7,000	Cash	10	10	0.01	[●]
March 03, 2004	Preferential	150,000	Cash	10	10	0.29	[●]

Date of allotment /transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%) *
	Allotment of Equity Shares						
July 10, 2009	Preferential Allotment of Equity Shares	13,600	Cash	10	500	0.03	[•]
July 24, 2009	Transfer to Swastik Mercantiles Limited	(13,600)	Cash	10	500	(0.03)	[•]
September 29, 2014	Transfer from Shri Bajrang Alliance Limited	3,000	Cash	10	320	0.01	[•]
September 4, 2018	Bonus issue	480,000	-	10	-	0.92	[•]
April 9, 2021	Transfer by way of gift to Narendra Goel	(132,500)	-	10	-	0.25	[•]
Sub – Total (D)		**5,07,500**				**0.97**	
E. Narendra Goel							
July 25, 2002	Initial subscription to Memorandum	7,000	Cash	10	10	0.01	[•]
March 03, 2004	Preferential Allotment of Equity Shares	100,000	Cash	10	10	0.19	[•]
July 10, 2009	Preferential Allotment of Equity Shares	20,000	Cash	10	500	0.04	[•]
July 24, 2009	Transfer to Shimmer Investments Private Limited	(20,000)	Cash	10	500	(0.04)	[•]
September 4, 2018	Bonus Issue	321,000	-	10	-	0.61	[•]
April 9, 2021	Transfer by way of gift from Rajendra Goel	132,500	-	10	-	0.25	[•]
Sub – Total (E)		**560,500**				**1.07**	
F. Anand Goel							
July 25, 2002	Initial subscription to Memorandum	7,000	Cash	10	10	0.01	[•]
March 03, 2004	Preferential Allotment of Equity Shares	150,000	Cash	10	10	0.29	[•]
May 05, 2017	Transfer from Sardar Ajit Singh	100	Cash	10	400	Negligible	[•]
September 4, 2018	Bonus Issue	471,300	-	10	-	0.90	[•]
April 9, 2021	Transfer by way of gift from Sandeep	46,450	-	10	-	0.09	[•]

Date of allotment /transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue / acquisition / transfer price per Equity Share (₹)	Percentage of the pre-Issue capital (%)	Percentage of the post-Issue capital (%) *
	Goel						
Sub – Total (F)		**674,850**				**1.29**	
Total (A+B+C+D+E+F)		**18,214,374**				**34.84**	

** Assuming full subscription of the Issue.*

(1) *Atlanta Securities Private Limited has acquired Equity Shares at a price of ₹ 10 each from the following: 25,000 Equity Shares from Vishesh Plastics Private Limited, 68,000 Equity Shares from Elvis Security Private Limited, 78,000 Equity Shares from Blue Print Securities Private Limited, 47,000 Equity Shares from AHV Investments Private Limited, 38,000 Equity Shares, from Authentic Finlease Private Limited, 30,000 Equity Shares, from Konark Commercial and Industries Limited, 41,000 Equity Shares from Allied Global Finance Limited.*

(2) *Atlanta Securities Private Limited has acquired Equity Shares at a price of ₹ 10 each from the following: 35,000 Equity Shares from Gurukul Dealers Private Limited, 40,000 Equity Shares from Akhilesh Suppliers Private Limited.*

(3) *Atlanta Securities Private Limited has acquired Equity Shares at a price of ₹ 10 each from the following: 10,000 Equity Shares from Aamit Fintrade Limited, 5,000 Equity Shares from Amrutjyot Enterprises Private Limited, 57,000 Equity Shares from Bhavana Investment Private Limited, 5,000 Equity Shares from Darshani Marking Private Limited, 5,000 Equity Shares from Data Innovation India Private Limited, 5,000 Equity Shares from Dhanvidhya Fin & Inv. Consultancy Services Private Limited, 30,000 Equity Shares from Dhanvidhya Multi Sales Private Limited, 125,500 Equity Shares from Gujarat Javeri Spinners Limited, 5,000 Equity Shares from Kamali Finstock Limited, 5,000 Equity Shares from Hardik Marketing Private Limited, 5,000 Equity Shares from M.A. Anandia Leasing & Finance Limited, 5,000 Equity Shares from Midas Flexipacks Private Limited, 5,000 Equity Shares from Palan Realestate Developers Private Limited, 10,000 Equity Shares from Ramdev Marketing Private Limited, 108,000 Equity Shares from Ranakpur Securities, 5,000 Equity Shares from Rudra Securities and Capital Limited, 5,000 Equity Shares from Sakira Finance Limited, 5,000 Equity Shares from Shanti Trade Link Private Limited, 35,000 Equity Shares from Sonal (Cosmetics) Exports Limited, 15,000 Equity Shares from Sonal International Limited, 52,000 Equity Shares from Vax Housing Finance Corporation Limited, 7,500 Equity Shares from Venkatesh Industrial Wires Private Limited, 34,000 Equity Shares from Super Tech Leathers Private Limited, 20,500 Equity Shares from Ashray Finman Services Private Limited, 113,000 Equity Shares from Avin Star Multi-Link Information Private Limited, 20,500 Equity Shares from Meghal Fin-Cap Private Limited, 46,000 Equity Shares from Dynachem Pharmaceuticals (Export) Limited, 15,000 Equity Shares from Fraternity Petrochem Private Limited, 120,000 Equity Shares from Genus Commu- Trade Limited, 25,000 Equity Shares from NJ Investments Private Limited, 50,000 Equity Shares from Prabhavi Investments Private Limited, 8,000 Equity Shares from Sheetal Securities Finance Limited, 19,500 Equity Shares from Sheth Rasayan Limited, 20,000 Equity Shares from Skil Link Tele Systems Private Limited, 100,000 Equity Shares from Supreme Telecom & Network (India) Limited, 130,000 Equity Shares from Nexus Software Limited, 20,000 Equity Shares from Talent Infoway Limited, 50,000 Equity Shares from Buniyad Chemicals Limited, 30,000 Equity Shares at Rs 10, from Dhanvidhya Impex Private Limited, 20,000 Equity Shares from Magic-Tech Securities Private Limited, 1,000 Equity Shares from Medha Projects Limited, 50,000 Equity Shares from Millenium Imports Private Limited, 25,000 Equity Shares from Shree Krishna Holiday & Homes & Farms Limited, 30,000 Equity Shares from Shree Krishna Infrastructures Limited, 22,000 Equity Shares from Sungold Capital Limited, 35,000 Equity Shares at from Askan Chemicals (Gujarat) Private Limited, 34,000 Equity Shares at from Valiant Pharmachem Limited, 31,000 Equity Shares from Aasiyana Technocast & Scrap Private Limited.*

(4) *Banka Finance & Securities Private Limited has acquired Equity Shares at a price of ₹ 10 each from the following: 313,000 Equity Shares from Green Valley Sales Private Limited, 350,000 from Kohinoor Commodities Private Limited, 345,000 Equity Shares from Valentineo Tradecom Private Limited.*

(5) *Banka Finance & Securities Private Limited has acquired Equity Shares at a price of ₹ 3 each from the following: 49,650 Equity Shares from A. Ramesh, 47,600 Equity Shares from T. Rajshekhar, 49,800 Equity*

Shares from P. Jagannath, 50,500 Equity Shares from Suresh R. Sahoo, 45,000 Equity Shares from Sardar Paramjeet Singh, 40,550 Equity Shares from K.K. Singh, 34,000 Equity Shares from Surendra Singh Rao.

(6) *Banka Finance & Securities Private Limited has acquired Equity Shares at a price of ₹ 2 each from the following: 31,500 Equity Shares from Uday Singh Rathore, 48,900 Equity Shares from C. Karr, 50,000 Equity Shares from Muni K Reddy, 50,900 Equity Shares from A.P. Marathe, 45,000 Equity Shares from Girdhari Lal, 45,000 Equity Shares from Pyarelal Sharma, 16,500 Equity Shares from Bhagwati Prasad, 45,000 Equity Shares from Abhimanyu Singh.*

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.

None of the Equity Shares held by our Promoters are pledged as on the date of this Draft Red Herring Prospectus.

All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

7. Details of the Shareholding of our Promoter Group

As on the date of this Draft Red Herring Prospectus, the members of our Promoter Group (other than our Promoters) collectively hold 30,714,146 Equity Shares, equivalent to 58.74% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

Sr. No.	Name of the Shareholder	Pre- Issue	
		No. of Equity Shares	Percentage (%)
1.	Sarla Goel	2,091,075	4.00
2.	Dinesh Goel	28,000	0.05
3.	Sandeep Goel	573,950	1.10
4.	Bajrang Goel	767,600	1.47
5.	Kiran Goel	636,800	1.22
6.	Aruna Goel	634,000	1.21
7.	Neeta Goel	656,800	1.26
8.	Pawan Goel	3,272,925	6.26
9.	Archit Goel	1,010,400	1.93
10.	Aayush Goel	1,016,400	1.94
11.	Ashutosh Goel	1,058,800	2.03
12.	Shri Bajrang Alliance Limited	2,521,000	4.82
13.	Shimmer Investments Private Limited	212,000	0.41
14.	Swastik Mercantiles Limited	180,000	0.34
15.	S.B. Multimedia Private Limited	1,040,000	1.99
16.	Shri Bajarang Ispat and Plywood Limited	234,668	0.45
17.	Sandeep Goel & Sons (HUF)	600,400	1.15
18.	Anand Goel & Sons (HUF)	660,400	1.26
19.	Narendra Goel & Sons (HUF)	680,400	1.30
20.	Rajendra Goel & Sons (HUF)	680,400	1.30
21.	Jainarayan Hariram Goel & Sons (HUF)	680,000	1.30
22.	Dinesh Goel & Sons (HUF)	600,400	1.15
23.	Suresh Goel & Sons (HUF)	680,400	1.30
24.	Bajrang Goel & Sons (HUF)	400	Negligible
25.	Pawan Goel & Sons (HUF)	400	Negligible
26.	Sukanya Mercandise Private Limited	2,897,016	5.54
27.	Bonus Dealcom Private Limited	2,869,200	5.49
28.	Priority Constructions Private Limited	2,162,312	4.14
29.	Popular Mercantile Private Limited	2,268,000	4.34
Total		**30,714,146**	**58.74**

8. Details of shareholding of directors of our Corporate Promoters in our Company

Sandeep Goel and Pawan Goel, directors of Atlanta Securities Private Limited and Banka Finance & Securities

Private Limited, hold 573,950 and 3,272,925 Equity Shares, respectively, as on the date of this Draft Red Herring Prospectus.

9. Details of lock in of Equity Shares

i. Details of Promoters' Contribution locked in for three years

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue capital of our Company held by our Promoters shall be locked-in as minimum promoters' contribution for a period of three years from the date of Allotment ("**Promoters' Contribution**") and the shareholding of the Promoters in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoters' Contribution are set forth in the table below:

Name of the Promoter	Date of allotment / acquisition of the equity shares*	Nature of transaction	Face value price per Equity Share (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	% of the pre-Issue Equity Share Capital**	% of the post- Issue paid- up Equity Share capital**
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

** All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.*
*** Subject to finalisation of Basis of Allotment.*

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber, in any manner, the Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

1. The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) which have been acquired for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

2. The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

3. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and

4. The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge.

ii. Details of Equity Shares locked-in for one year

Apart from 20% of the fully diluted post-Issue shareholding of our Company held by our Promoters and locked in for three years as specified above, the entire pre-Issue Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment, in accordance with Regulations 16(1)(b) and 17 of the SEBI ICDR Regulations. 16,952,500 Equity Shares held by certain members of our Promoter Group have been pledged in favour of consortium lenders of our Company in connection with a loan obtained by our Company and will be locked in accordance with the SEBI ICDR Regulations.

iii. Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

iv. Other requirements in respect of lock-in

(a) As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant depository.

(b) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(i) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(ii) With respect to the Equity Shares locked-in as minimum promoters' contribution for three years from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Issue, which is not applicable in the context of this Issue.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(c) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

(d) The Equity Shares to be allotted to eligible employees under the ESOP 2021 shall not be subject to lock-in.

(e) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.

10. Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								No. of Voting Rights: Class eg: X	No. of Voting Rights: Class eg: Y	No. of Voting Rights: Total	Total as a % of (A+B + C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(A)	**Promoter & Promoter Group**	34	48,928,520	-	-	48,928,520	93.58	-	-	-	-	-	-	-	-	16,952,500*	32.42	48,928,520
(B)	**Public**	8	3,356,100	-	-	3,356,100	6.42	-	-	-	-	-	-	-	-	653,500	1.25	3,356,100
(C)	**Non Promoter-Non Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	**Shares underlying DRs**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	**Shares held by Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**42**	**52,284,620**	-	-	**52,284,620**	**100.00**	-	-	-	-	-	-	-	-	**17,606,000**	**33.67**	**52,284,620**

**Equity Shares of certain members of the Promoter Group, namely, Bajrang Goel, Kiran Goel, Aayush Goel, Pawan Goel, Sandeep Goel & Sons (HUF), Anand Goel & Sons(HUF), Narendra*

Goel & Sons(HUF), Rajendra Goel & Sons(HUF), Jainarayan Hariram Goel & Sons (HUF), Dinesh Goel & Sons (HUF), Suresh Goel & Sons (HUF), S.B. Multimedia Private Limited, Sukanya Merchandise Private Limited, Bonus Dealcom Private Limited and Priority Constructions Private Limited are pledged in favour of consortium lenders in connection with a loan obtained by our Company.

11. Major shareholders

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

The major Equity Shareholders holding 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them as on the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the shareholder	No. of Equity Shares	Percentage of the pre-Issue equity share capital
1.	Banka Finance & Securities Private Limited	8,313,524	15.90
2.	Atlanta Securities Private Limited	8,158,000	15.60
3.	Pawan Goel	3,272,925	6.26
4.	Sukanya Merchandise Private Limited	2,897,016	5.54
5.	Bonus Dealcom Private Limited	2,869,200	5.49
6.	Shri Bajrang Alliance Limited	2,521,000	4.82
7.	Popular Mercantile Private Limited	2,268,000	4.34
8.	Priority Constructions Private Limited	2,162,312	4.14
9.	Sarla Goel	2,091,075	4.00
10.	Shimmer Goel	1,462,400	2.80
11.	Ashutosh Goel	1,058,800	2.03
12.	S. B. Multimedia Private Limited	1,040,000	1.99
13.	Aayush Goel	1,016,400	1.94
14.	Archit Goel	1,010,400	1.93
15.	Bajrang Goel	767,600	1.47
16.	Narendra Goel & Sons (HUF)	680,400	1.30
17.	Rajendra Goel & Sons (HUF)	680,400	1.30
18.	Jainarayan Hariram Goel & Sons (HUF)	680,000	1.30
19.	Suresh Goel & Sons (HUF)	680,400	1.30
20.	Anand Goel	674,850	1.29
21.	Neeta Goel	656,800	1.26
22.	Anand Goel & Sons (HUF)	660,400	1.26
23.	Anjali Goel	653,500	1.25
24.	Kiran Goel	636,800	1.22
25.	Aruna Goel	634,000	1.21
26.	Sandeep Goel & Sons (HUF)	600,400	1.15
27.	Dinesh Goel & Sons (HUF)	600,400	1.15
28.	Sandeep Goel	573,950	1.10
29.	Narendra Goel	560,500	1.07
30.	Avneesh Goel	562,000	1.07
31.	Pranav Goel	562,000	1.07
	Total	**51,005,452**	**97.55**

(a) The major Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them 10 days prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the shareholder	No. of Equity Shares	Percentage of the pre-Issue equity share capital
1.	Banka Finance & Securities Private Limited	8,313,524	15.90
2.	Atlanta Securities Private Limited	8,158,000	15.60
3.	Pawan Goel	3,272,925	6.26

Sr. No.	Name of the shareholder	No. of Equity Shares	Percentage of the pre-Issue equity share capital
4.	Sukanya Merchandise Private Limited	2,897,016	5.54
5.	Bonus Dealcom Private Limited	2,869,200	5.49
6.	Shri Bajrang Alliance Limited	2,521,000	4.82
7.	Popular Mercantile Private Limited	2,268,000	4.34
8.	Priority Constructions Private Limited	2,162,312	4.14
9.	Sarla Goel	2,091,075	4.00
10.	Shimmer Goel	1,462,400	2.80
11.	Ashutosh Goel	1,058,800	2.03
12.	S. B. Multimedia Private Limited	1,040,000	1.99
13.	Aayush Goel	1,016,400	1.94
14.	Archit Goel	1,010,400	1.93
15.	Bajrang Goel	767,600	1.47
16.	Narendra Goel & Sons (HUF)	680,400	1.30
17.	Rajendra Goel & Sons (HUF)	680,400	1.30
18.	Jainarayan Hariram Goel & Sons (HUF)	680,000	1.30
19.	Suresh Goel & Sons (HUF)	680,400	1.30
20.	Anand Goel	674,850	1.29
21.	Neeta Goel	656,800	1.26
22.	Anand Goel & Sons (HUF)	660,400	1.26
23.	Anjali Goel	653,500	1.25
24.	Kiran Goel	636,800	1.22
25.	Aruna Goel	634,000	1.21
26.	Sandeep Goel & Sons (HUF)	600,400	1.15
27.	Dinesh Goel & Sons (HUF)	600,400	1.15
28.	Sandeep Goel	573,950	1.10
29.	Narendra Goel	560,500	1.07
30.	Avneesh Goel	562,000	1.07
31.	Pranav Goel	562,000	1.07
	Total	**51,005,452**	**97.55**

(b) The major Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them one year prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the shareholder	No. of Equity Shares on fully diluted basis	Percentage of the pre-Issue equity share capital (%) on a fully diluted basis
1.	Banka Finance & Securities Private Limited	8,313,524	15.90
2.	Atlanta Securities Private Limited	8,158,000	15.60
3.	Sukanya Merchandise Private Limited	2,897,016	5.54
4.	Bonus Dealcom Private Limited	2,869,200	5.49
5.	Shri Bajrang Alliance Limited	2,521,000	4.82
6.	Popular Mercantile Private Limited	2,268,000	4.34
7.	Suresh Goel	2,248,000	4.30
8.	Priority Constructions Private Limited	2,162,312	4.14
9.	Pawan Goel	2,058,800	3.94
10.	Sarla Goel	1,305,200	2.50
11.	Ashutosh Goel	1,058,800	2.03
12.	S. B. Multimedia Private Limited	1,040,000	1.99
13.	Aayush Goel	1,016,400	1.94

Sr. No.	Name of the shareholder	No. of Equity Shares on fully diluted basis	Percentage of the pre-Issue equity share capital (%) on a fully diluted basis
14.	Archit Goel	1,010,400	1.93
15.	Avneesh Goel	1,000,000	1.91
16.	Pranav Goel	1,000,000	1.91
17.	Shimmer Goel	900,400	1.72
18.	Bajrang Goel	767,600	1.47
19.	Ranjendra Goel & Sons (HUF)	680,400	1.30
20.	Jainarayan Hariram Goel & Sons (HUF)	680,000	1.30
21.	Narendra Goel & Sons (HUF)	680,400	1.30
22.	Suresh Goel & Sons (HUF)	680,400	1.30
23.	Anand Goel & Sons (HUF)	660,400	1.26
24.	Neeta Goel	656,800	1.26
25.	Anjali Goel	653,500	1.25
26.	Rajendra Goel	640,000	1.22
27.	Kiran Goel	636,800	1.22
28.	Anand Goel	628,400	1.20
29.	Aruna Goel	634,000	1.21
30.	Sandeep Goel & Sons (HUF)	600,400	1.15
31.	Dinesh Goel & Sons (HUF)	600,400	1.15
Total		**51,026,552**	**97.59**

(c) The major Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of shares held by them two years prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the shareholder	No. of Equity Shares on fully diluted basis	Percentage of the pre-Issue equity share capital (%) on a fully diluted basis
1.	Banka Finance & Securities Private Limited	8,313,524	15.90
2.	Atlanta Securities Private Limited	8,158,000	15.60
3.	Sukanya Merchandise Private Limited	2,897,016	5.54
4.	Bonus Dealcom Private Limited	2,869,200	5.49
5.	Shri Bajranag Alliance Limited	2,521,000	4.82
6.	Popular Mercantile Private Limited	2,268,000	4.34
7.	Priority Constructions Private Limited	2,162,312	4.14
8.	Sandeep Goel	1,658,400	3.17
9.	Ashutosh Goel	1,058,800	2.03
10.	S. B. Multimedia Private Limited	1,040,000	1.99
11.	Aayush Goel	1,016,400	1.94
12.	Archit Goel	1,010,400	1.93
13.	Avneesh Goel	1,000,000	1.91
14.	Pranav Goel	1,000,000	1.91
15.	Shimmer Goel	1,000,400	1.91
16.	Bajrang Goel	767,600	1.47
17.	Pawan Goel	758,800	1.45
18.	Sarla Goel	705,200	1.35
19.	Jainarayna Hariram Gol & Sons (HUF)	680,000	1.30
20.	Narendra Goel & Sons (HUF)	680,400	1.30
21.	Suresh Goel & Sons (HUF)	680,400	1.30
22.	Rajendra Goel & Sons (HUF)	680,400	1.30

Sr. No.	Name of the shareholder	No. of Equity Shares on fully diluted basis	Percentage of the pre-Issue equity share capital (%) on a fully diluted basis
23.	Anand Goel & Sons (HUF)	660,400	1.26
24.	Neeta Goel	656,800	1.26
25.	Anjali Goel	653,500	1.25
26.	Suresh Goel	648,000	1.24
27.	Rajendra Goel	640,000	1.22
28.	Kiran Goel	636,800	1.22
29.	Aruna Goel	634,000	1.21
30.	Anand Goel	628,400	1.20
31.	Dinesh Goel	628,000	1.20
32.	Rashmi Goel	612,800	1.17
33.	Suman Goel	613,800	1.17
34.	Sandeep Goel & Sons (HUF)	600,400	1.15
35.	Dinesh Goel & Sons (HUF)	600,400	1.15
Total		**51,139,552**	**97.79**

12. Our Promoters, the other members of our Promoter Group, the directors of our Corporate Promoters or our Directors or their relatives have not purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus, except as stated below:

Name of the Promoters, the other members of the Promoter Group, the directors of the Corporate Promoters or the Directors or their relatives	Nature of transaction	No. of Equity Shares/ specified Securities sold/transferred	Date of transaction	Transaction price per Equity Share (₹)
Anand Goel	Transfer from Sandeep Goel	46,450	April 9, 2021	Nil*
Narendra Goel	Transfer from Rajendra Goel	132,500	April 9, 2021	Nil*
Sarla Goel	Transfer to Avneesh Goel	1,000,000	May 3, 2021	Nil*

**These Equity Shares have been transferred by way of gift.*

13. Except as stated below, none of the Directors or Key Managerial Personnel hold any Equity Shares:

S. No.	Name of the person	Director / Key Managerial Personnel / Director of our corporate Promoter	No. of Equity Shares	Percentage of pre-Issue Equity Share Capital (%)	Percentage of post-Issue Equity Share Capital (%)
1.	Narendra Goel	Managing Director	560,500	1.07	[●]
2.	Rajendra Goel	Executive Director	507,500	0.97	[●]
3.	Anand Goel	Executive Director	674,850	1.29	[●]
4.	Sandeep Goel	Chief Financial Officer	573,950	1.10	[●]

14. There have been no financing arrangements whereby our Promoters, members of the Promoter Group, Directors of our Corporate Promoters, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

15. Employee Stock Option Plan

Pursuant to a Board resolution dated June 15, 2021 and Shareholders' resolution dated June 18, 2021, our Company instituted the SBPIL - Employee Stock Option Plan 2021 ("**ESOP 2021**") to provide for the grant of options to employees of our Company and Subsidiaries who meet the eligibility criteria under ESOP 2021.

The objectives of ESOP 2021 include, *inter alia*, reward the key employees for their association, dedication and contribution to the goals of our Company and retention and motivation of key talent.

ESOP 2021 envisages grant of an aggregate of 50,000 options of with each option upon exercise, grants its holder the right to be allotted one Equity Share, upon payment of the exercise. The quantum of options that can be granted under the ESOP 2021 and the issue of Equity Shares upon its exercise are subject to corresponding fair and reasonable adjustment in the event of corporate actions by our Company including capitalisation of profits or reserves.

As per the certificate dated July 12, 2021, issued by S S S D & Co, Statutory Auditors, the ESOP 2021 is in compliance with the SEBI ESOP Regulations. Further details in relation to ESOP 2021 are as follows:

Particulars	**Details**
Options granted:	Nil
The pricing formula:	Fair market value
Vesting Period	Not earlier than one year and not later than maximum vesting period of three years from the date of grant.
Options vested	Nil
Options exercised	Nil
Exercise Price	To be decided by the Nomination and Remunaration Committee
Total number of Equity Shares arising as a result of exercise of options	Nil
Options lapsed	Nil
Variation of terms of options	Nil
Money realised by exercise of options	Nil
Total number of options in force	Nil
Employee-wise details of options granted to:	
i. Senior managerial personnel, i.e., Directors and key management personnel	Nil. Our Company has not granted any option as of the date of this Draft Red Herring Prospectus.
ii. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during that year	Nil. Our Company has not granted any option as of the date of this Draft Red Herring Prospectus.
iii. Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil
Diluted EPS pursuant to issue of Equity Shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share'	N.A. as these options are yet to be granted.
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that will have been recognised if our Company had used fair value of options and impact of this	N.A.

Particulars	Details
difference on profits and EPS of our Company	
Weighted-average exercise prices and weighted-average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock	N.A. as these options will be issued using fair value of the Equity Shares
Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option	Discounted cash flow.
Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years	N.A as these options are yet to be granted. Further, Accounting policies as specified in the Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 shall be followed in respect of options granted under ESOP 2021
Intention of the key managerial personnel and whole time directors who are the holders of Equity Shares allotted on exercise of options to grant under an ESOP, to sell their shares within three months after the date of listing of Equity Shares pursuant to the Offer	Not applicable, since no Equity Shares have been allotted under the ESOP 2021 as on the date of this Draft Red Herring Prospectus
Intention to sell Equity Shares arising out of ESOP Scheme within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not applicable, since no Equity Shares have been allotted under the ESOP 2021 as on the date of this Draft Red Herring Prospectus.

16. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

17. Our Company, our Promoters, our Directors or the BRLMs have not entered into any buy-back and/ or standby arrangements of the purchase of Equity Shares or other specified securities of our Company.

18. Except for the Equity Shares allotted pursuant to the Issue and the issuance of Equity Shares pursuant to exercise of stock options under the ESOP 2021, there will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Issue.

19. Except for employee stock options that may be granted pursuant to the ESOP 2021, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/ Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

20. As on the date of this Draft Red Herring Prospectus, our Company has 42 shareholders.

21. All Equity Shares issued pursuant to this Issue shall be fully paid up at the time of Allotment, failing which no Allotment shall be made.

22. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates, as defined under the Securities and Exchanges Board of India (Merchant Bankers) Regulations, 1992, as amended do not hold any Equity Shares.

23. Our Promoters and members of our Promoter Group will not submit Bids, or otherwise participate in this Issue.

24. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.

OBJECTS OF THE ISSUE

Objects of the Issue

The net proceeds of the Issue ("**Net Proceeds**") are proposed to be utilised in the following manner:

1. Repayment and/or pre-payment, in full and/or part, of certain borrowings of our Company;
2. Funding incremental working capital requirements of our Company; and
3. General corporate purposes.

(Collectively, referred to herein as the "**Objects**").

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges including among other things, enhancing the visibility of our brand and our Company.

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable us to undertake our existing business activities and to undertake activities for which borrowings were availed and which are proposed to be repaid, prepaid from the Net Proceed.

Net Proceeds

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

Particulars	Estimated Amount (in ₹ million)
Gross proceeds from the Issue	7,000.00
Less: Issue related expenses in relation to the Issue	[●]
Net Proceeds*	[●]

**Will be incorporated after finalization of the Issue Price and updated in the Prospectus at the time of filing with the RoC.*

Means of Finance

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met from the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue or through existing identifiable internal accruals as required under Regulation 7 (1) (e) the SEBI ICDR Regulations.

Requirement of Funds, Utilisation of Net Proceeds and Schedule of Implementation

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

(*in ₹ million*)

Particulars	Total estimated amount/ expenditure	Estimated schedule of deployment of Net Proceeds in		Total
		Fiscal 2022	Fiscal 2023	
Repayment and/or pre-payment, in full and/or part, of certain borrowings of our Company	4,000.00	4,000.00	-	**4,000.00**
Funding incremental working capital requirements of our Company	1,200.00	1,200.00	-	**1,200.00**
General corporate purposes*		[●]	[●]	[●]
Total		[●]	[●]	[●]

**To be finalized upon determination of Issue Price. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds of the Issue.*

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects during Fiscal 2022. In the event that the estimated utilization of the Net Proceeds in a scheduled Fiscal is not completely met, the same shall be utilised in the next Fiscal.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates and present market conditions. Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment. Further, if the Net Proceeds are not completely utilised for the objects stated above by Fiscal 2022 due to factors which may include, but are not limited to, (i) economic and business conditions; (ii) increased competition; (iii) timely completion of the Issue; (iv) market conditions outside the control of our Company; and (v) other commercial considerations; the same would be utilised (in part or full) in subsequent period as may be determined by our Company in accordance with applicable law. Please also refer to the sub-section titled "*Risk Factors –Our management will have broad discretion in the manner in which we utilise the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the objects of the Issue will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution*" on page 35.

Subject to applicable laws, in the event of increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Alternatively, if the actual utilisation towards any of the objects is lower than the proposed deployment, then such balance will be used for future growth opportunities including, funding existing objects (if required) and general corporate purposes, subject to applicable laws.

In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned Objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

Details of Objects of the Issue

1. Repayment and/or pre-payment, in full and/or part, of certain borrowings of our Company:

Our Company has entered into various financing arrangements with banks and other lenders, which include term loans and working capital facilities, including fund based and non-fund-based borrowings. As on March 31, 2021, the total indebtedness under the various financing arrangements of our Company aggregated to ₹12,682.27 million. For disclosure of borrowings in the last three Fiscals as per Schedule III of the Companies Act, see "*Restated Financial Statements*" on page 230. Our Company proposes to utilise an estimated amount of ₹4,000.00 million from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings availed by our Company. Our Company may avail further loans after the date of this Draft Red Herring Prospectus.

Our Company may consider the following factors for identifying the loans that will be repaid out of the Net Proceeds: (i) costs, expenses and charges relating to the facility including interest rates involved; (ii) presence of onerous terms and conditions under the facility; (iii) ease of operation of the facility; (iv) levy of any prepayment penalties and the quantum thereof; (v) provisions of any law, rules, regulations governing such borrowings; (vi) terms of pre-payment to lenders, if any; (vii) mix of credit facilities provided by lenders; and (viii) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Accordingly, our Company may utilise the Net Proceeds for part prepayment of any such refinanced facilities or repayment of any additional facilities obtained by it. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹4,000.00 million. We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs and improve our debt to equity ratio and enable utilization of internal accruals for further investment in business growth and expansion. In addition, we believe that the improved debt to equity ratio will enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The following table provides details of certain of the borrowings availed by our Company and outstanding as on March 31, 2021, which are currently proposed to be fully or partially repaid (earlier or scheduled) or pre-paid from the Net Proceeds:

Sr. No.	Name of the Lender	Nature of Borrowing and date of the Sanction Letter/Document	Amount sanctioned (in ₹ million)	Principal amount outstanding (in ₹ million)	Rate of interest	Repayment Date/ Schedule	Prepayment penalty	Purpose
1.	Karnataka Bank	Term Loan - Sanction letter dated February 12, 2020	416.20	319.23	One year MCLR (9.10%) + 1.90= 11.00%	Repayable in 71 equal monthly instalments	Pre closure /foreclosure charges of 2% shall be charged in case of takeover of liabilities by other banks	For brown field expansion at Unit III and Unit I
2.	State Bank of India	Term Loan - Sanction letter dated June 20, 2012	900.00	552.22	3.10% above one year MCLR, present effective rate being 11.00% p.a. reset at yearly intervals against the existing pricing of 5.00 above MCLR	Repayment to made on last day of the quarter	Pre payment penalty equal to 1% of the principal amount prepaid	Project implementation
		Term Loan - Sanction letter dated February 18, 2014	500.00	343.11		Repayment is to be made in 60 monthly instalments	Pre payment penalty equal to 1% of the principal amount prepaid	Efficiency improvement of project
		Term Loan - Sanction letter dated January 27, 2015	487.70	357.61		Repayment is to be made in 60 monthly	Pre payment penalty equal to 1% of the principal	Efficiency improvement of project

Sr. No.	Name of the Lender	Nature of Borrowing and date of the Sanction Letter/Document	Amount sanctioned (in ₹ million)	Principal amount outstanding (in ₹ million)	Rate of interest	Repayment Date/ Schedule	Prepayment penalty	Purpose
					-1year i.e. 13.55% p.a.	instalments	amount prepaid	
3.	Bank of India	Term Loan – Sanction letter dated June 14, 2012 and February 10, 2020	487.40	464.78	1 year MCLR (8.70) + BSS (0.30)+ CRP (2.70) presently 11.70% p.a.	Monthly instalments	Not applicable	Project implementation
4.	Bank of Baroda	Term Loan – Sanction letter dated February 12, 2021	2,850.00	2,040.64	12.50% (fixed)	177 monthly instalments	Not applicable	Project implementation
5.	Bank of Maharashtra	Term Loan – February 14, 2020	416.20	404.95	1 year MCLR (8.25%) + 2.50 + BSS (0.50%) i.e. 11.25% p.a. with monthly rests	To be repaid in 72 equal monthly instalments	Pre payment penalty equal to 1% of the amount prepaid	For financing Brown Field expansion project of 3 pipe mills at Unit I
	Total		**6,057.50**	**4,482.54**				

As per the certificate dated July 12, 2021, issued by S S S D & Co, our Statutory Auditors, the amounts drawn-down under the aforementioned borrowings have been utilized towards the purposes for which such borrowings have been availed.

In the ordinary course of business, due to various operational benefits, our Company may explore possibilities of other banks and financial institutions participating in existing loans either in full or in part, including the borrowings mentioned above. Some of our financing agreements provide for the levy of prepayment penalties. Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding amounts may vary from time to time. In the event that there are any prepayment penalties required to be paid under the terms of the relevant financing arrangements, the amount of such prepayment penalties shall be paid by us out of our internal accruals. We will take such provisions also into consideration while deciding repayment and/ or pre-payment of loans from the Net Proceeds.

In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid, repaid, redeemed (earlier or scheduled), refinanced or further drawn-down prior to the completion of the Issue, we may utilise Net Proceeds towards prepayment, repayment or redemption (earlier or scheduled) of such additional indebtedness availed by us.

2. Funding incremental working capital requirements of our Company

We fund a majority of our working capital requirements in the ordinary course of business using borrrowings from banks and internal accruals. As on March 31, 2021, our Company has total sanctioned limit of working capital facilities of ₹ 5,550.00 million, including fund-based and non-fund based limits, and the aggregate amounts sanctioned under the fund based and non-fund based working capital facilities of our Company are ₹ 3,250.00 million and ₹ 2,300.00 million, respectively. For details, see "*Financial Indebtedness*" on page 275. We propose to utilise ₹ 1,200.00 million from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2022.

Basis of estimation of long-term working capital requirement

The details of our Company's working capital as at March 31, 2019, March 31, 2020 and March 31, 2021, on an unconsolidated basis, derived from the audited standalone financial statements, and source of funding of the same are provided in the table below:

(₹ in million)

Sr. No.	Particulars	Notes	Amount as on March 31, 2019	Amount as on March 31, 2020	Amount as on March 31, 2021
1	**Current Assets**				
A	Trade Receivables		826.47	620.30	1,539.87
B	Inventories		3,616.72	4,659.45	5,988.30
C	Other financial and current assets (excluding Cash & Bank Balance)		1,847.99	2,087.83	2,324.21
	Total current assets	**(A)**	**6,291.18**	**7,367.57**	**9,852.38**
2	**Current Liabilities**				
A	Trade Payables		2,052.57	2,209.08	1,538.69
B	Other financial and current liabilities		660.93	685.64	678.66
	Total current liabilities	**(B)**	**2,713.50**	**2,894.72**	**2,217.34**
3	**Net working capital requirements**	**(C) = (A) - (B)**	**3,577.68**	**4,472.86**	**7,635.04**
4	**Existing funding pattern**				
	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting)		2,969.29	3,199.06	3,065.45
	Internal accruals / Equity		608.39	1,273.80	4,569.59
	Total		**3,577.68**	**4,472.86**	**7,635.04**

Note: *Pursuant to the certificate dated July 12, 2021, issued by S S S D & Co, our Statutory Auditors.*

On the basis of our existing working capital requirements and the projected working capital requirements, our Board, pursuant to their resolution dated July 12, 2021, has approved the business plan for the Fiscal 2022 and the projected working capital requirements for Fiscal 2022 as stated below:

(₹ in million)

S. no	Particulars	Notes	Estimated amount as on March 31, 2022
1	**Current Assets**		
A	Trade Receivables		2,367.12
B	Inventories		8,876.71
C	Other financial and current assets (excluding Cash & Bank Balance)		4,438.36

S. no	Particulars	Notes	Estimated amount as on March 31, 2022
	Total current assets	**(A)**	**15,682.19**
2	**Current Liabilities**		
A	Trade Payables		4,438.36
B	Other financial and current liabilities		739.73
	Total current liabilities	**(B)**	**5,178.08**
3	**Net working capital requirements**	**(C) =(A) - (B)**	**10,504.11**
4	**Source of finance**		
	Proceeds from the Offer		1,200.00
	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting)		3,250.00
	Internal accruals		6,054.11
	Total source of finance		**10,504.11**

Note: *Pursuant to the certificate dated July 12, 2021, issued by S S S D & Co, our Statutory Auditors.*

Our Company proposes to utilize ₹ 1,200.00 million from the Net Proceeds towards funding the long-term working capital requirements of the Company.

The table below contains the details of the holding levels on an unconsolidated basis (in number of days or relevant matrix as applicable) is derived from the audited standalone financial statements for Fiscal 2019, Fiscal 2020 and Fiscal 2021, the projections for Fiscal 2022, and the assumptions based on which the working plan projections has been made and approved by our Board of Directors:

Sr. No.	Particulars	Number of days for the period/Fiscal ended			
		March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022
1.	Trade receivables	12	9	19	16
2.	Inventories	51	66	74	60
3.	Other financial and current assets (excluding Cash & Bank Balance)	26	29	29	30
4.	Trade payables	29	31	19	30
5.	Other financial and current liabilities	11	10	8	5

Note: *Pursuant to the certificate dated July 12, 2021, issued by S S S D & Co, our Statutory Auditors.*

Key assumptions for working capital projections made by our Company:

S No.	Particulars	Assumptions
Current Assets		
1.	Trade receivables	Historically, the holding levels of trade receivables have ranged from 10-20 days in last three years. In light of the same, we have assumed receivables of 16 days for Fiscal 2022
2.	Inventories	Inventory levels tend to be dependent upon raw material availability, prices and mix of domestic and imports in sourcing. Over the last three years our inventory levels have ranged between 50-75 days. We have assumed inventories of 60 days for Fiscal 2022
3.	Other financial and current assets	The key items under this head primarily includes advance to supplier (other than capital advance), balance with central excise & sales tax department, prepaid expenses, other advances and receivables and interest receivables. Over the past

	(excluding Cash & Bank Balance)	three years, our trade payables have varied between 25-30 days. Hence, we have assumed levels of 30 days for Fiscal 2022.
Current Liabilities		
4.	Trade payables	Over the past three years, our trade payables have varied between 19-31 days. We have assumed 30 days for Fiscal 2022
5.	Other current liabilities & Provisions	Holding levels under this head has ranged from 8-11 days in the last three years and largely comprise of advances from customers, statutory dues payable, TDS payable, provision for employee benefits, current tax liabilities (net), CSEB cross subsidy payable, other expenses payables and creditors for capital goods. As most of these items have limited co-relation with our revenues, we have projected this to grow at a slower pace and have assumed this at around 5 days for Fiscal 2022

Note: *Pursuant to the certificate dated July 12, 2021, issued by S S S D & Co, our Statutory Auditors.*

The aforementioned working capital estimates and projections have been approved by the Board through their resolution dated July 12, 2021.

Our Company proposes to utilize ₹ 1,200.00 million of the Net Proceeds in Fiscal 2022, towards our long-term working capital requirements. The balance portion of our long-term working capital requirement will be arranged from existing equity, internal accruals and borrowings from banks and financial institutions.

3. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds aggregating ₹ [●] million towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds of the Issue, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include expenses towards joint venture, funding growth opportunities, investment in subsidiaries meeting expenses incurred in the ordinary course of business, meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by the Board of Directors or a duly appointed committee from time to time, subject to compliance with necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board of Directors and subject to applicable laws, will have flexibility in utilising surplus amounts, if any.

Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The Issue related expenses include fees payable to the BRLMs and legal counsel, fees payable to the auditors, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break up for the estimated Issue expenses is as follows:

Activity	**Estimated expenses#(1) (in ₹ million)**	**As a % of the total estimated Issue expenses(1)**	**As a % of the total Issue Size(1)**
BRLMs fees and commissions (including underwriting commission)	[●]	[●]	[●]
Brokerage, selling commission, bidding charges, processing fees and bidding charges for the Members of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs (2)(3)(4)(5)(6)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others			

Activity	**Estimated expenses#(1) (in ₹ million)**	**As a % of the total estimated Issue expenses(1)**	**As a % of the total Issue Size(1)**
Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
Printing and stationery	[●]	[●]	[●]
Fee payable to legal counsels	[●]	[●]	[●]
Fees payable to other advisors to the Issue	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

 # Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price.

1) *Exclusive of applicable taxes. Issue expenses are estimates and are subject to change.*
2) *Selling commission payable to the Syndicate Members, SCSBs, RTAs and CDPs on the amounts received against the Equity Shares Allotted (i.e. product of the Equity Shares Allotted and the Issue Price) would be as follows:*

*Portion for Retail Individual Investors**	*[●]% of the Amount Allotted (plus applicable goods and services taxes)*
*Portion for Non-Institutional Investors**	*[●]% of the Amount Allotted (plus applicable goods and services taxes)*

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

3) *Further, bidding charges of ₹ [●] (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Bidders using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges.*

4) *No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured by them. Selling commission payable to the Registered Brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ [●] per valid Bid cum Application Form (plus applicable goods and services tax).*

5) *Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes).*

6) *Processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:*

RTAs / CDPs/ Registered Brokers/ Syndicate Members	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Sponsor Bank	*₹ [●] per valid Bid cum Application Form (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI Circulars, agreements and other Applicable Laws.*

Appraisal and Bridge Loans

The above fund requirements have not been appraised by any bank or financial institution. Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Interim Use of Net Proceeds

Our Company, in accordance with the policies formulated by our Board of Directors from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of Net Proceeds for the purposes described above, we intend to deposit the Net Proceeds only in scheduled commercial banks as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency, including any bank or finance institutions.

Monitoring Agency

Our Company has appointed [●] as the monitoring agency for monitoring the utilisation of the Net Proceeds in accordance with Regulation 41 of the SEBI ICDR Regulations. The monitoring agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till at least 95.00% of the Net Proceeds, excluding the proceeds raised for general corporate purposes, have been utilised. Our Board and our management shall provide their comments on such report of the monitoring agency.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before our Audit Committee. The statement shall be certified by the Statutory Auditors. Further, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating deviations, if any, in the utilisation of the Net proceeds from the Objects, as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "**Notice**") shall specify the prescribed details, including justification for such variation and be published and placed on website of our Company, in accordance with the Companies Act, 2013, read with relevant rules.

The Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Pursuant to Section 13(8) of the Companies Act, 2013, our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and the SEBI ICDR Regulations. For further details see, "*Risk Factors - Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior Shareholders' approval*" on page 44.

Other Confirmations

No part of the Net Proceeds will be utilised by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Companies or Key Management Personnel. Our Company has not entered into nor is planning to enter into any arrangement/agreements with Promoters, members of the Promoter Group, Directors, Key Management Personnel or our Group Companies in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Bidders should read the below mentioned information along with "*Our Business*", "*Risk Factors*", "*Financial Statements*" "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 152, 25, 230 and 278, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis of computing Issue Price:

- One of the leading integrated steel companies based out of central India;
- Diversified product mix with strong focus on value added products and well recognized brands;
- Established market presence and relationships with channel partners supported by large distribution network;
- Strategically located Units with robust infrastructure helps achieve cost optimization;
- Track record of growth in financial performance; and
- Experienced Promoters and committed senior management team.

For further details, see "*Our Business- Our Strengths*" on page 154.

Quantitative Factors

The information presented below relating to our Company is based on the Financial Statements. For details, see "*Financial Statements*" on page 230.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

A. Basic and Diluted Earnings/ Loss per Share ("EPS")

Year/ Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2021	57.30	57.30	3
March 31, 2020	26.87	26.87	2
March 31, 2019	45.39	45.39	1
Weighted Average	**45.17**	**45.17**	

Notes:

i. *The face value of each Equity Share is ₹ 10.*

ii. *Basic Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of equity shares outstanding during the period/year.*

iii. *Diluted Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of potential equity shares outstanding during the period/year.*

iv. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS xWeight) for each year /Total of weights.*

B. Price /Earnings Ratio (P/E) in relation to the Issue Price of ₹[●] per Equity Share

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on Basic EPS for Financial Year 2021	[●]	[●]
Based on Diluted EPS for Financial Year 2020	[●]	[●]

Industry P/E ratio

Particulars	Name of the Company	Face value of equityshares (₹)	P/E
Highest	Kamdhenu Limited	10	28.83
Lowest	Sarda Energy & Mineral Limited	10	6.31
Average			14.30

Note:

1. *The Industry composite has been calculated as the arithmetic average of consolidated and standalone (in case of peers where there is no consolidation) P/E of the Industry are computed based on closing market price as on July 9, 2021 at BSE, For further details, please see "Comparison of Accounting Ratios with Listed Industry Peers" provided below.*

C. Return on Net Worth ("RoNW")

As per our Restated Financial Statements prepared in accordance with Ind-AS:

Year/ Period ended	RoNW (%)	Weight
March 31, 2021	26.14	3
March 31, 2020	16.97	2
March 31, 2019	34.64	1
Weighted Average	**24.50**	

Notes:

i. *Weighted average = Aggregate of year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each year] / [Total of weights]*
ii. *Return on Net Worth (%) = Net profit after tax, as restated / Net worth as restated as at period/year end.*
iii. *Networth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account as per Restated Financial Statement of Assets and Liabilities of our Company.*

D. Net Asset Value (NAV) per Equity Share on a consolidated basis

Particulars	Consolidated (₹)
As on March 31, 2021	218.75
After the Issue	
-At the Floor Price	[●]
-At the Cap Price	[●]
Issue Price	[●]

Notes:

1. Issue Price per Equity Share will be determined on conclusion of the Book Building Process.
2. Net asset value per share= Net worth as restated / Number of equity shares as at year end.

E. Comparison of Accounting Ratio with Listed Industry Peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses:

Name of the Company*	Total income (₹ in million)	Face value per equity share (₹)	Closing Price as on 9th July 2021	P/E (As on 9th July, 2021)	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV per equity share (basic) (₹)
Shri Bajrang Power and Ispat Limited	30,645.43	10	NA	NA	57.30	57.30	26.14	218.75
Listed Peers								
JSW Steel Limited	8,04,310	1	681.55	20.71	32.91	32.73	16.92	193.46
Tata Steel Limited	15,71,898	10	1,239.20	19.43	63.78	63.78	10.09	616.54
Jindal Steel & Power Limited	3,95,276	1	394.55	11.07	35.63	35.63	16.57	311.90
Prakash Industries Limited	32,239	10	82.00	14.77	5.55	5.27	3.29	161.89
Godawari Power & Ispat Limited	40,760	10	1,455.35	8.03	181.17	181.17	31.36	577.70
Sarda Energy & Mineral Limited	23,433	10	656.20	6.31	104.00	104.00	16.88	616.17
Kamadhenu Limited	6,287	10	162.05	28.83	5.62	5.62	7.74	72.30
Tata Steel Long Products Ltd.	48,282	10	1,003.20	7.91	126.83	126.83	22.05	575.20
Shyam Metalics and Energy Limited	63,208	10	418.65	11.60	36.10	36.10	23.21	142.47

Source: Respective peer group company's regulatory filings with BSE.

** All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the financial statements of the respective company for the year ended March 31, 2021 submitted to stock exchange.*

Notes:

1. *Basic EPS refers to the Basic EPS sourced from the publicly available financial results of the respective company for the year ended March 31, 2021.*
2. *P/E Ratio has been computed based on the closing market price of equity shares on the BSE on 9h July 2021, divided by the Basic EPS provided under Note 1 above.*
3. *RoNW is computed as net profit/(loss) after tax attributable to equity shareholders divided by total equity net of minority interest at the end of the financial year March 31, 2021.*
4. *NAV is computed as Total equity net of minority interest at the end of the financial year March 31, 2021 divided by the closing outstanding number of equity shares as of March 31, 2021.*
5. *Financial Information for Shri Bajrang Power and Ispat Limited is derived from the Restated Financial Statements for the year ended March 31, 2021.*

The Issue Price of ₹[●] has been determined by our Company in consultation with the Book Running Lead Managers, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. The trading price of Equity Shares could decline due to factors mentioned in "*Risk Factors*" on page 25 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE TAX BENEFITS

To,

The Board of Directors
Shri Bajrang Power and Ispat Limited
Village Borjhara, Urla Guma Road
Urla Growth Center Raipur
Raipur 493221, Chhattisgarh

Sub: Statement of possible special tax benefits available to Shri Bajrang Power and Ispat Limited ("the Company") and the shareholders of the Company prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations")

1. We, S S S D & Co, Chartered Accountants, the statutory auditors of the Company, hereby confirm that the enclosed Annexure A and Annexure B, prepared by the Company and initialled by us and the Company for identification purpose ("**Statement**") for the proposed initial public offering of equity shares of the Company ("**Offer**"), provides the possible special tax benefits available to the Company and to its shareholders under the Income Tax Act, 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2021, i.e. applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, presently in force in India and under indirect taxation laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

2. This statement can be included in the (i) draft red herring prospectus proposed to be filed with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "**Stock Exchanges**"); (ii) red herring prospectus proposed to be filed with SEBI, the Stock Exchanges and the Registrar of Companies, Chhattishgarh, located at Bilaspur ("**Registrar of Companies**"); and (iii) prospectus proposed to be filed with SEBI, the Stock Exchanges and the Registrar of Companies for the proposed initial public offer through a fresh issuance of equity shares of face value ₹ 10 each, of the Company (the "**Offer**"), as required under the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. 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 special tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

3. The benefits discussed in the enclosed Annexures are not exhaustive. The 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 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 Offer.

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

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

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

6. We have conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("**ICAI**") which requires that we comply with

ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.

For S S S D & Co
Chartered Accountants
Firm Registration Number: 020203C

Sd/-

Gaurav Ashok Baradia
Partner
Membership Number: 164479
Place of Signature: Raipur
UDIN: 21164479AAAABY6832
Date: July 12, 2021

Annexure A – Direct Tax

Statement of Possible Special Tax Benefits Available to the Company and its Shareholders

A. Special Tax Benefits available to the Company:

The following special tax benefits are available to the Company after fulfilling conditions as per respective provisions of the Income tax law.

- Company is eligible to claim benefit u/s 80-IA for Generation / Transmission / distribution of power.

B. Special Tax Benefits available to the shareholders of the Company:

- No Special tax Benefits available to the shareholders of the Company.

Annexure B – Indirect Tax

Statement of Possible Special Tax Benefits Available to the Company and its Shareholders

- No Special tax Benefits available to the Company and its shareholders.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is obtained or extracted from "Overview of Steel Sector in India" dated June 24, 2021 prepared and released by IRR Advisory Private Limited and commissioned and paid by our Company in connection with the Issue. Neither IRR Advisory nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

Overview of Global Economy

Global economic activity was brought to a standstill by the coronavirus (COVID-19) pandemic and its impact on economic activity, health and livelihood across the world has been unparalleled. The initial phase of economic recovery from coronavirus-related lockdowns has been faster than expected and global growth momentum has picked up. While Q3CY20 GDP releases have - in general - surprised to the upside across developed markets. The outlook hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis. Global growth is projected at 6% in 2021, moderating to 4.4% in 2022. as projected in October 2020. The upward revision reflects additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of 2021, and continued adaptation of economic activity to subdued mobility.

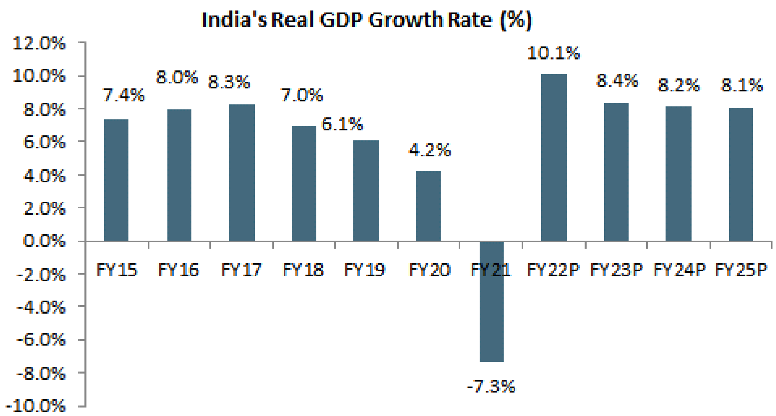
An overview of the WEO projections, April 2021 is given in the table below:

World Economic Outlook	**Estimate (%)**		**Projections (%)**	
Name of the Country/Economy	**2019**	**2020**	**2021**	**2022**
World Output	**2.8**	**-3.3**	**6.0**	**4.4**
Advanced Economies	**1.6**	**-4.7**	**5.1**	**3.6**
United States	2.2	-3.5	6.4	3.5
Euro Area	1.3	-6.6	4.4	3.8
United Kingdom	1.4	-9.9	5.3	5.1
Emerging Market and Developing Economies	**3.6**	**-2.2**	**6.7**	**5.0**
Emerging and Developing Asia	3.6	-2.2	6.7	5.0
India	4.0	-8.0	12.5	6.9
ASEAN*	4.8	-3.4	4.9	6.1
Russia	2.0	-3.1	3.8	3.8
Brazil	1.4	-4.1	3.7	2.6
China	5.8	2.3	8.4	5.6
South Africa	0.2	-7.0	3.1	2.0
Low-Income Developing Countries	**5.3**	**0.0**	**4.3**	**5.2**

**includes Indonesia, Malaysia, Philippines, Thailand, Vietnam*
Source*- IMF's World Economic Outlook, April 2021*

Overview of Indian Economy

The disruption caused by the COVID-19 pandemic unfolded with such a speed and scale that the disruption of production, breakdown of supply chains trade channels and total wash out of economic activities in certain sectors. According to NSO data, the size of the Indian economy in Fiscal 21 was INR 134.4 tn at 2011-12 prices. IRR Advisory projects the size in Fiscal 22 will be INR 147.2 tn. This suggest that Fiscal 22 would be a year in which India will be able to just recover the lost ground and will be able go past the Fiscal 20 GDP level in a meaningful way only in Fiscal 23. India has started being able to flatten the first wave of infection curve.



Source: NSO, Ind-Ra, IRR Advisory Analysis,

While the Indian GDP is expected to rebound and grow at 10.1% y-o-y in Fiscal 22, mainly due to the weak base of Fiscal 21, the GDP in value terms in Fiscal 22 is expected to be slightly higher as compared to Fiscal 20. The scar of COVID-19 pandemic and lockdown on the economy is subsiding.

India- Economic Outlook Fiscal 22 (% change)	**FY 14**	**FY 15**	**FY 16**	**FY 17**	**FY 18**	**FY 19**	**FY 20**	**FT 21F**	**FY 22F**
Gross value added at FY 12 prices	6.1	7.2	8.0	8.0	6.6	6.0	3.9	-12.2	10.1
-Agriculture	5.6	-0.2	0.6	6.8	5.9	2.4	4.0	3.5	3.0
- Industry	3.8	7	9.6	7.7	6.3	4.9	0.9	-24.2	11.5
- Services	7.7	9.8	9.4	8.5	6.9	7.7	5.5	-9.9	11.4
Real GDP	6.4	7.4	8.0	8.3	7.0	6.1	4.2	-11.8	9.9
-Private final consumption expenditure (PFCE)	7.3	6.4	7.9	8.1	7.0	7.2	5.4	-12.8	11.2
- Government final consumption expenditure (GFCE)	0.6	7.6	7.5	6.1	11.8	10.1	11.8	12.5	11.3
-Gross fixed capital formation	1.6	2.6	6.5	8.5	7.2	9.8	-2.8	-27.3	9.4
Nominal GDP	13.0	11.0	10.5	11.8	11.2	11.0	7.2	-9.1	14.5
Average Wholesale Inflation	5.2	1.3	-3.7	1.7	2.9	4.3	1.5	-1.7	2.8
Average Retail Inflation	9.4	5.9	4.9	4.5	3.6	3.4	5.2	5.1	4.3
Average Exchange rate (INR/USD)	60.5	61.1	65.5	67.1	64.5	69.9	70.9	74.5	76.7
Fiscal Deficit (central government, % of GDP)	4.4	4.0	3.9	3.5	3.5	3.4	4.6	8.2	6.8
Current account deficit (% of GDP)	1.7	1.3	1.1	0.6	1.8	2.1	0.8	-0.3	0.4

Note: Negative CAD in FY 21 represents current account surplus
Source: India Ratings & Research, IRR Advisory Analysis

The Indian economy is slowly coming out of the impact of COVID-19, despite the number of infections still being high. Although most of the real sector indicators are still in the contraction mode and different parts of the country have yet to witness full normalcy in terms of economic activity, the indicators are gradually recovering.

The economic activities during COVID 2.0, unlike COVID 1.0, have remained resilient so far because lockdowns have not been abrupt, they unfolded in a graded manner and were local in nature. Industries were allowed to remain operational during lockdowns with strict COVID protocols and lower employee headcounts. Along with this, ‘learning by doing’ by economic agents have prepared them better to withstand and navigate through the lockdowns and administrative restrictions. There was lower level of fear element among the vaccinated population with these factors. The impact of COVID 2.0 first would be much less disruptive and secondly, it was felt more through the loss of demand impulse than supply-side disruption. Also, the loss of demand-side impulse is expected to be more pronounced in rural areas than in urban areas.

In response to the COVID-19 pandemic, countries across the globe provided both fiscal and monetary packages to ease the sufferings of households and businesses. The government of India (GoI) also announced an economic package aggregating INR 29.8 tn, of which INR17.2tn was by the government and INR 12.7 tn was by the RBI. The fiscal conservatism appears to have been abandoned in GoI’s FY 22 budget, to provide the necessary support to the aggregate demand.

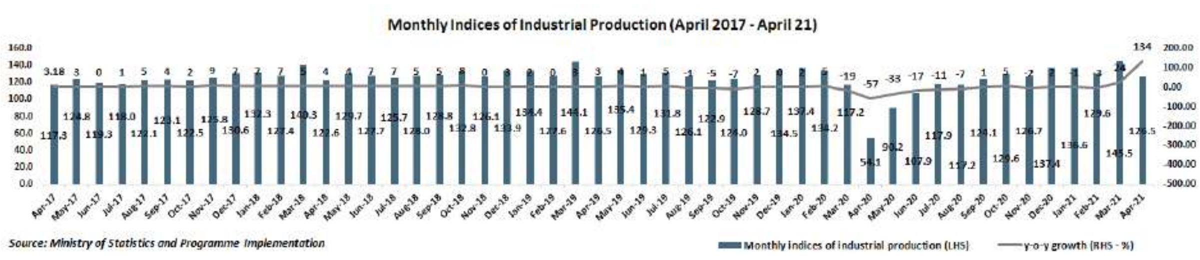
The union government’s capex grew by 33.3% y-o-y in FY 21, according to the revised estimate, and 25.0% y-o-y in FY 22, according to the budget estimate. IRR Advisory expects this to enhance the productive capacity of the economy and accelerate the growth and employment opportunities but in the medium to long term. Government final consumption expenditure (GFCE) is expected to grow in FY 21 due to the stepped-up government expenditure. Even in FY 22, GFCE is expected to lead and will be 10.1% higher than its trend level.

Gradual Revival in Consumption Demand

Consumption demand as measured by the private final consumption expenditure (PFCE), accounting for about 59% of GDP, is the largest component from the demand side. PFCE was witnessing a slowdown even before the imposition of COVID-19 induced lockdown. IRR Advisory expects PFCE to contract by 12.8% y-o-y in FY 21. However, it is expected to grow by 11.2% in FY 22, led by essentials (pharma, healthcare and telecom), followed by non-discretionary consumer goods and infrastructure sector (chemicals, oil & gas, IT, sugar and agri-commodities) and industrial goods and cyclical sectors (power, iron & steel, logistics, cement, construction, automobiles and automobile ancillaries)

Investments as measured by gross fixed capital formation (GFCF) is expected to grow at 9.4% y-o-y in FY 22, after recording negative 27.3% y-o-y growth in FY 21. With the renewed focus of government on capex in the FY 22 Union Budget to support growth recovery, the government capex at INR 5.5tn works out to be 2.5% of GDP. Due to the positive spill-over effects of public investment, capex spending by the private corporate sector may also see some traction.

Although the industrial output as captured by IIP continues to be volatile, and select segments of services sector such as hotels, leisure/travel/tourism, sports, entertainment are still at some distance away from seeing any visible traction, growth can be witnesses in FY 22 mainly due to the base effect. IRR Advisory expects industrial and services sector to grow at 11.5% and 11.4%, respectively, in FY 22.



IIP registered growth in y-o-y terms in September and October 2020 where it increased by 1.0% and 4.5% as compared to September and October 2019 respectively. In March 2021, IIP growth came in at 24.1%, highest in the current series with 2011-12 base. In level terms, the factory output in March 2021 was 106.9% of the pre-COVID period (February 2020).
The second wave of COVID-19 infections was less disruptive than the first wave, despite the case load and fatality per day have reached a new high during the period. This is because the administrative response was largely confined to local lockdowns and containment zones. Moreover, unlike the first wave, administrative response was not abrupt,

and was unfolded gradually in a graded manner. Also, households, businesses and other economic agents were better prepared and there was a significant amount of learning by doing, which has helped them withstand and navigate through the second wave of COVID-19 crisis. Lastly, the roll-out of COVID-19 vaccine since 16th January 2021 had reduced the fear element among the vaccinated economic agents.

IRR Advisory feels the delay in economic recovery would be limited to just about a quarter in FY 22, provided the COVID's second wave is not allowed to last much beyond June 2021. Economic recovery would depend on the pace of vaccination and government policy interventions in the coming weeks and months. Despite the surge in COVID cases and deaths, state governments have allowed some factories to stay open, even amid lockdowns, which has blunted any downturn in industrial activity.

Overview of Global Steel Industry

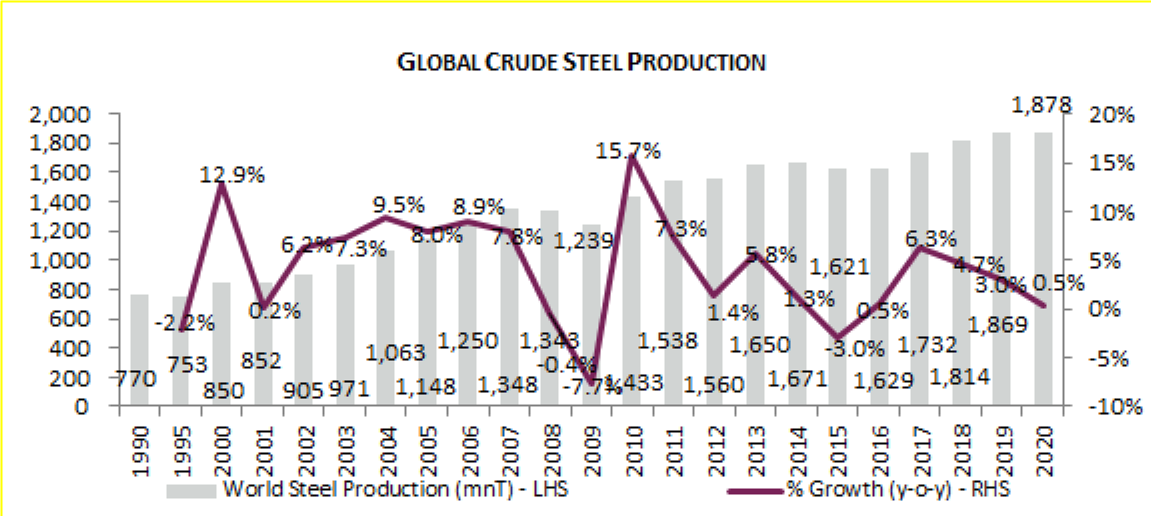
The global steel industry faced a challenging CY 19, as demand growth in a few markets was largely offset by declines in the rest of the world. An uncertain economic environment, coupled with continued trade tensions, slowdown in global manufacturing notably auto sector and intensifying geopolitical issues, weighed on investment and trade. Similarly, production growth was only visible in Asia and the Middle East and to some extent in the US, while the rest of the world witnessed a contraction.

The global steel industry faced pricing pressure for most parts of CY 19, in the wake of a protective market environment in key economies, including the imposition of Section 232 in the US (Section 232 of the Trade Expansion Act of 1962 authorizes the Secretary of Commerce to conduct comprehensive investigations to determine the effects of imports of any article on the national security of the United States). This was further aggravated due to country-specific demand slowdown, that fueled market imbalances.

In line with a conservative trade sentiment, consumer industries of steel undertook active destocking. This led to stunted capacity utilization and resulted in net excess capacity globally. This was further complemented by addition of new capacities and resulted in downward pressure on steel prices.

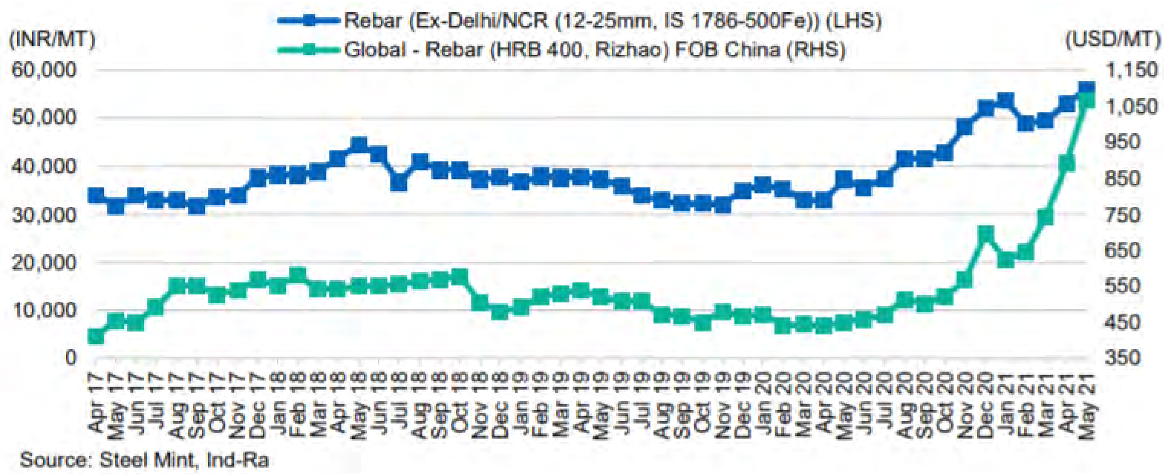
Asia produced 1,374.9 MnT of crude steel in 2020, an increase of 1.5% compared to 2019. China's crude steel production in 2020 reached 1,053.0 MnT, up by 5.2% on 2019. China's share of global crude steel production increased from 53.2% in 2019 to 56.5% in 2020. India's crude steel production for 2020 was 99.6 MnT, down by 10.6% on 2019. Japan produced 83.2 MnT in 2020, down 16.2% on 2019. South Korea produced 67.1 MnT, down 6.0% on 2019.

The EU produced 138.8 MnT of crude steel in 2020, a decrease of 11.8% compared to 2019. Germany produced 35.7 MnT of crude steel in 2020, down 10.0% on 2019. In the CIS, production was 102.0 MnT in 2020, up by 1.5% on 2019. Russia is estimated to have produced 73.4 MnT in 2020, up 2.6% on 2019. Ukraine produced 20.6 MnT in 2020, down 1.1% on 2019. Crude steel production in North America was 101.1 MnT in 2020, down 15.5% on 2019. The United States produced 72.7 MnT in 2020, down 17.2% on 2019.

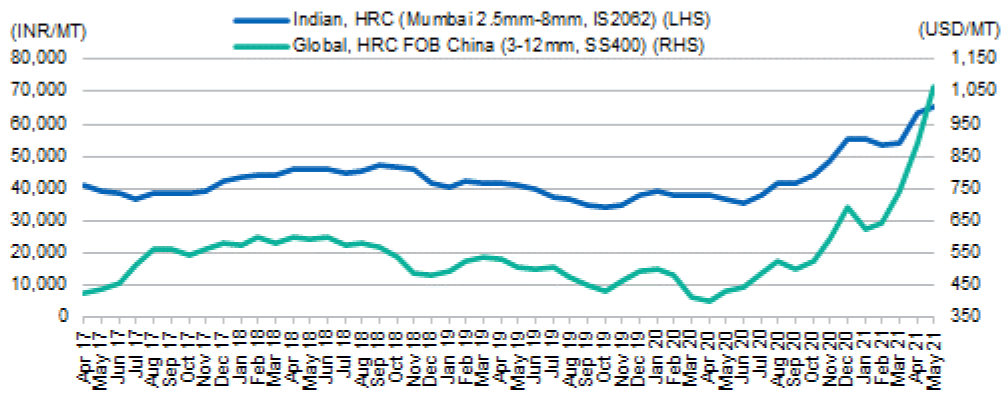


The above figure illustrates that global crude steel production grew at a CAGR of just 0.2% from 770 MnT in 1990 to 785 MnT in 1999. This was due to subdued demand from the developed economies like US and Japan as they entered a period of low growth. USA and Japan were the two largest steel producing countries of that time. Crude steel production from US grew at a CAGR of 0.8% while Japan registered negative CAGR of 1.9% during 1990 to 1999. This was offset by higher growth in steel production from the emerging economies like China and India. Crude steel production from these two countries grew at a CAGR of 7.2% and 5%, respectively during 1990 to 1999. Steel production from China and India picked up during this period as their economy industrialized and urbanized thereby creating more demand for steel. Further, the world crude steel production grew consistently with the CAGR of 6.8% from 850 MnT in 2000 to 1,348 MnT in 2007. It dipped to 1,343 MnT and 1,239 MnT in 2008 and 2009 respectively. Further, it increased with the CAGR of 6.2% from 1,239 MnT in 2009 to 1,671 MnT in 2014 again decreasing to 1,621 MnT in 2015. Since 2015, crude steel production has shown positive growth year on year with the CAGR of 3.0% to 1,878 MnT in 2020.

Domestic and International Rebar Prices



Domestic rebar prices increased INR 3,000/MT month on month (mom) to INR 56,000/MT in mid-May 2021. The strong domestic realizations are being supported by the high prices in the international market and high iron ore prices. International rebar prices have increased substantially with Chinese rebar prices rising USD 175/MT mom to USD 1,065/MT in mid-May 2021 due to domestic short supply.



Source: Steel Mint, Ind-Ra

China produces more than half of the world's steel and exports more steel each year than most countries produce, making Chinese steel prices the key indicator for regional markets and beyond. The Free on Board (FOB) China steel price is today's true global steel benchmark, with hot-rolled coil (HRC) the primary input for many of the world's manufactured goods.

HRC is the predominant finished steel product in the global steel industry and the foundation for many steel-based industrial goods. China is the world's largest producer, consumer and exporter of steel. It has the most transparent and liquid traded spot finished steel market, exerting a strong influence over global pricing. FOB China HRC has a 90%-plus correlation with the share prices of the world's largest steel producers, as well as with other key benchmarks in the ferrous supply chain.

Significant liquidity in the HRC market, along with HRC's importance as a raw material for manufacturers, make this a critical material that requires accurate and timely spot pricing and analysis.

Global prices had fallen sharply to USD 470/MT in mid-March 2020, down 7% compared to January 2020. It was mainly due to global prices continued experiencing downward pressure until the containment of coronavirus. Chinese HRC prices showed signs of recovery, with the improving domestic demand and were up 3% in mid-July 2020 to USD 458/MT. In September 2020, Chinese HRC prices continued to recover, with the improving domestic demand and were up 16% in qoq in mid-September 2020 to USD 513/MT. Further, in November 2020; Chinese HRC prices improved 4% mom and 18% y-o-y in mid-November 2020 due to an improving demand from downstream consumers operating at higher capacity utilization levels in addition to a strong export demand.

The up-cycle in domestic steel prices is supported by the bullish trend in the global steel prices and revival in domestic demand since the easing of lockdown restrictions. The rally in global steel prices were initially driven single-handedly by China until other large economies like USA came roaring back to the market armed with stimulus checks which resulted into demand outpacing supply. Sellers who idled capacities due to the pandemic earlier has been slow to ramp up post lockdowns. The market that has witnessed the highest jump in steel prices remains USA. Steel prices of HRC in USA are up 160% y-o-y at USD 1,455 per tonne in April 2021, surpassing high of USD 1,100 per tonne in 2008. In January 2021, Chinese HRC prices fell 2% MoM but were 35% higher y-o-y in mid-January 2021. The slight fall in China HRC prices was on account of Chinese steel mills looking to offload inventory prior to the Chinese New Year Holidays in beginning 12th February 2021 in addition to a correction in demand due to new COVID-19 cases in certain provinces. International steel prices have been high in March- April 2021, due to a strong Chinese demand and export rebates cuts in China.

Details regarding Top 10 steel producing countries in CY 2019 and CY 2020 is provided below:

Rank	2010		2012		2014		2016		2017		2018		2019		2020	
	Country	Market Share (%)	Country	Market Share (%)	Country	Market Share (%)	Country	Market Share (%)	Country	Market Share (%)	Country	Market Share (%)	Country	Market Share (%)	Country	Market Share (%)
1	China	44.3%	China	46.3%	China	49.4%	China	49.6%	China	49.2%	China	51.3%	China	53.2%	China	56.5%
2	Japan	7.8%	Japan	6.9%	Japan	6.6%	Japan	6.4%	Japan	6.2%	India	5.9%	India	5.9%	India	5.3%
3	USA	5.7%	USA	5.7%	USA	5.3%	India	5.9%	India	6.0%	Japan	5.8%	Japan	5.3%	Japan	4.5%
4	India	4.8%	India	5.0%	India	5.2%	USA	4.8%	USA	4.8%	USA	4.8%	USA	4.7%	Russia*	3.9%
5	Russia	4.7%	Russia	4.6%	South Korea	4.3%	South Korea	4.3%	Russia	4.2%	South	4.0%	Russia	3.8%	USA	3.9%
6	South Korea	4.1%	South Korea	4.5%	Russia	4.3%	Germany	4.2%	South Korea	4.2%	Russia	4.0%	South Korea	3.8%	South Korea	3.6%
7	Germany	3.1%	Germany	2.8%	Germany	2.6%	Turkey	2.6%	Germany	2.6%	Germany	2.3%	Germany	2.1%	Turkey	1.9%
8	Ukraine	2.4%	Turkey	2.3%	Turkey	2.0%	Brazil	2.0%	Turkey	2.2%	Turkey	2.1%	Turkey	1.8%	Germany	1.9%
9	Brazil	2.3%	Brazil	2.2%	Brazil	2.0%	Ukraine	1.9%	Brazil	2.0%	Brazil	1.9%	Brazil	1.7%	Brazil	1.7%
10	Turkey	2.1%	Ukraine	2.1%	Ukraine	1.6%	Italy	1.5%	Italy	1.4%	Italy	1.4%	Iran	1.7%	Iran*	1.6%

Source: World Steel Association

**Estimate*

Chinese demand and production levels constitute more than half the global steel industry, making world steel trade significantly reliant on demand-supply drivers of the country's economy. In CY 2020, China produced 1053.0 MnT of crude steel, up 5.7% y-o-y. Steel demand for real estate remained buoyant, due to strong growth in Tier-II, Tier-III and Tier-IV markets, led by relaxed controls. However, the growth was partially offset by muted auto sector performance.

The Eurozone was hit hard in CY 2020 by trade uncertainties due to a sharp slowdown in German manufacturing led by lower exports. Notwithstanding the new sales tax regime, the Japanese economy is expected to recover gradually, supported by easing monetary policy and public investments, which is likely to support steel consumption growth in the short term.

Pricing trends for Long and Flat products in global markets

Month/Year	Global Flat Product Prices (USD/tonne)	Global Long Product Prices (USD/tonne)
Jun-21	873	811
May-21	920	855
Apr-21	858	781
Mar-21	772	728
Feb-21	713	681
Jan-21	704	668
Dec-20	694	640
Nov-20	612	611
Oct-20	578	560
Sep-20	579	551
Aug-20	574	545
Jul-20	551	532
Jun-20	529	529
May-20	498	538
Apr-20	475	527
Mar-20	494	529

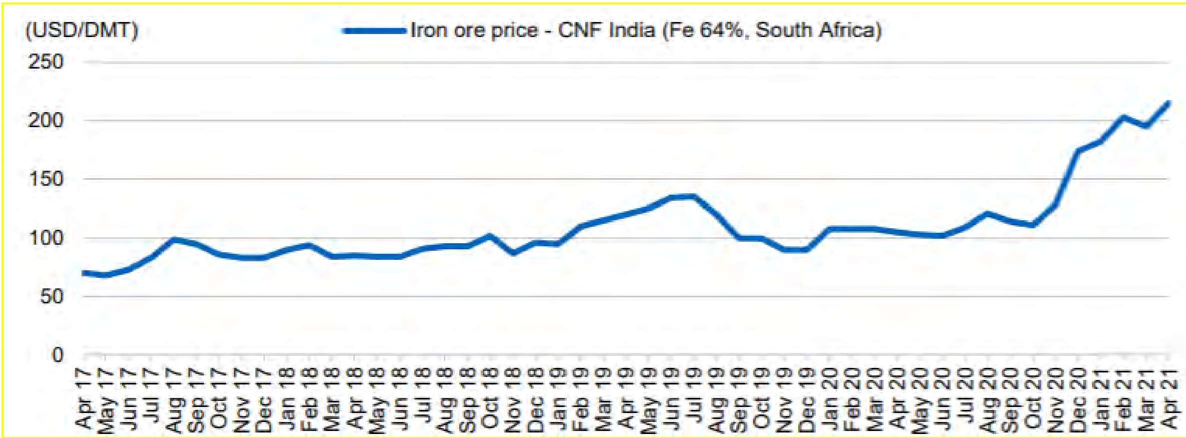
Source: SteelMint

China's change in steel policy and its impact in global steel market

In a major policy shift, China withdrew export rebates on major finished steel products and cut import duty on various semi-finished, crude, and scrap steel. China removed VAT rebates on exports of 146 steel products from May 2021. It includes key export products like hot-rolled coils (HRC), wire rods, and rebar. China has also cut import duty on pig iron, crude steel, and steel scrap. Further, it has raised export duty by 5% on high silicon steel, ferrochrome, and foundry pig iron.

This latest policy shift indicates that China's government is attempting to curb steel exports while concentrating on resolving the domestic shortage. China has been developing this strategy for some time, and this latest step is in line with it. The Chinese government had earlier put restrictions in Tangshan, China's largest steelmaking city, to keep domestic steel production down in 2021. China's withdrawal from the export market will reduce the supply of steel in the global market. The reduced supply will keep steel prices higher in the international market. Considering these tailwinds, China's export curbs have come at the right time for Indian steel manufacturers. The domestic demand is facing troubles due to a sharp increase in steel prices and the second wave of COVID-19. Yet, export markets are thriving given the economic recovery. And, domestic manufacturers have a vast opportunity to expand in that market.

International Iron Ore Prices



Source: Steel Mint, Ind-Ra

Global iron ore production fell by 3% to 2.2bnt in 2020. Declines from Brazil and India were major contributors to the reduced output in 2020. Combined production from these two countries fell from a collective 638.2 Mt in 2019 to an estimated 591.1 Mt in 2020. The reduced output from the iron ore giant, Vale was the key factor behind Brazil's reduced output while delays in the auctioning of mines in Odisha affected India's output in 2020. Miners in Australia were relatively unaffected by Covid-19 due to effective measures adopted by the Australian Government while a speedy recovery in China led to a significant 10.4% increase in the country's iron ore output.

Looking ahead, global iron ore production is expected to increase by 111.3 MnT to 2,302.5 MnT in 2021. The remaining companies are expected to produce more than 600 MnT of iron ore, including FMG, whose production is expected to range between 175 MnT and 180 MnT, supported by FMG's Eliwana mine that commenced operations in late December 2020 and Anglo American, which is expecting to produce between 64 MnT and 67 MnT. Vale is expected to resume 40 MnT of its production capacity, taking its overall production capacity to 350 MnT in 2021, with production guidance of 315 MnT to 335 MnT. Global production over the forecast period (2021-2025) is expected to grow at a CAGR of 3.7% to 2,663.4 Mt in 2025. The key contributors to this growth will be Brazil (6.2%), South Africa (4.1%), Australia (3.2%) and India (2.9%).

Seaborne supply and demand are expected to be more closely aligned from 2022 onwards, with prices gravitating towards long term forecast of USD 70/t CFR by 2030. A cyclic low price may be observed at USD 55/tonne for 62% Fe in 2023. The supply-demand scenario from Brazil and China will remain a governing factor in the medium term. In the longer term, key drivers for iron ore include India's growth and net trade position; the interaction between scrap and hot metal, and the transition towards low carbon "green" steel.

Overview of Indian Steel Industry

Steel has played an important role in the development of Indian economy. India's crude steel production rose from 43.4 MnT in 2005 to 111.3 MnT in 2019 and subsequently it has fallen to 99.6 MnT in 2020. The Indian Steel companies enjoy some inherent advantages in terms of ample availability of iron ore – key raw material to make steel in the domestic market and low-cost labour apart from the presence of a strong domestic steel market. According to the Ministry of Steel, the steel sector contributes around 2% of the country's GDP and employs around 25 lakh people in steel/allied sectors. Steel industry is important for the country because it has one of the highest economic linkages in overall GDP. Steel has an output-multiplier effect of around 1.4 times on GDP. This implies that if steel industry grows by 1% its proportionate impact on GDP would be 1.4 %. Employment-multiplier effect of steel is around 7 times, that is, with increase in output, steel industry has the potential to create 7 times the job opportunities, in upward and downward industries.

Indian Steel industry was de-licensed and de-controlled in 1991 & 1992 respectively. Until then the iron and steel sector were largely dominated by the public sector, the sole exception being TISCO. After liberalization, substantial private investments flowed in and the public sector share in the total production started declining. Large scale producers in the private sector brought with them world class technologies and capacities (viz. Corex technology for iron making, twin shell electric arc furnace and thin slab casting compact strip mill, energy optimising furnaces).

The share of public and private sector in the production of crude steel during 1990-91 was 46% and 54% respectively, while during 2020 the same was 19% and 81% respectively, according to Ministry of Steel. This change was brought about by de-regulation and de-control of the Indian iron and steel sector in 1991.

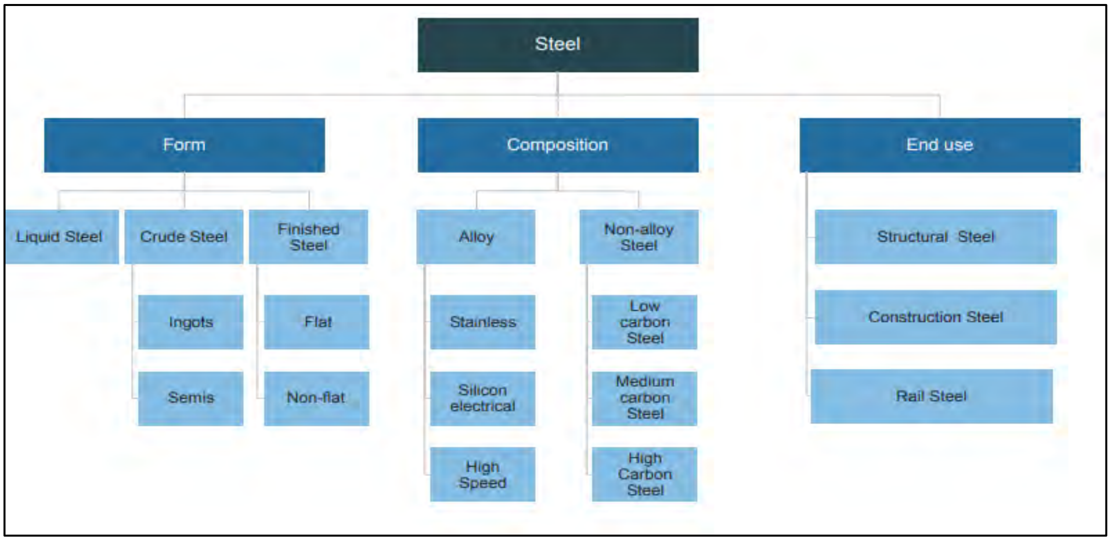
Price regulation of iron & steel was abolished in 1992. Since then, steel prices in India are determined by the interplay of market forces. The market for steel transformed from a seller to a buyers' market. Currently, GST of 18% is applicable on steel and there is no export duty on steel items. Iron and steel can be freely imported and exported from India.

Journey of Indian steel industry:

1907-18	Production of steel started in India (TISCO was setup in 1907)
	IISC was set up in 1918 to compete with TISCO.
1923-48	Mysore Iron and Steel Company was set up in 1923.
	According to the new Industrial Policy Statement (1948), new ventures were only undertaken by the central Governmental.
1954-64	Hindustan Steel Ltd. And Bokaro Steel Ltd. Were setup in 1954 and 1964, respectively.
	In the early 1990s, the public sector dominated steel production.
	Private players were in downstream production mainly producing finished steel using crude steel products.
1973-92	SAIL was created in 1973 as holding company to oversee most of India's iron and steel production.
	In 1989, SAIL acquired Vivesvata Iron and Steel Ltd.
	In 1993, the Government set plans in motion to partially privatise SAIL.
1993-2014	Foreign players began entering the Indian steel market.
	No license requirement for capacity creation.
	Imposition of export duty on iron ore, to focus more on catering growing domestic demand.
	Decontrol of domestic steel prices.
	Launch of Scheme for promotion of Research and Development in Iron and Steel sector.
2015-2020	In 2019, India ranked as the second-largest crude steel producer in the world.
	Between April 2020 and January 2021, India's cumulative production of crude steel stood at 87.21 MT and finished steel at 76.04 MT.

Source: Media Reports

Steel produced in India can be classified as follows on the basis of its form, composition and end purpose:



Source: IBEF

Types of Steel – By Products

Long & Flat Products

Long Products: Long products are generally available in straight length/cut length barring wire rods which are normally available in irregularly wound coils. These finished steel products are normally produced by hot rolling/forging of bloom/billets/pencil ingots into usable shapes or sizes. This product segment includes products like bars & rods, steel structural and railway materials. Long products are generally used for construction, mechanical engineering and energy.

Flat Products: These are finished steel products that are produced from slabs/thin slabs in rolling mills using flat rolls. These are supplied in Hot Rolled (HR), Cold Rolled (CR) or in coated condition depending upon the requirement. This product segment involves Galvanised Plain/Galvanised Corrugated (GP/GC) sheets, Hot Rolled (HR) coils/sheets, Cold Rolled (CR) sheets/coils, pipes, electrical sheets, tin plates and plates. Flat products are generally used for automotive and truck wheel frames and body parts, heavy machinery, pipes and tubes, construction, packaging and appliances.

Types of Steel – By Composition

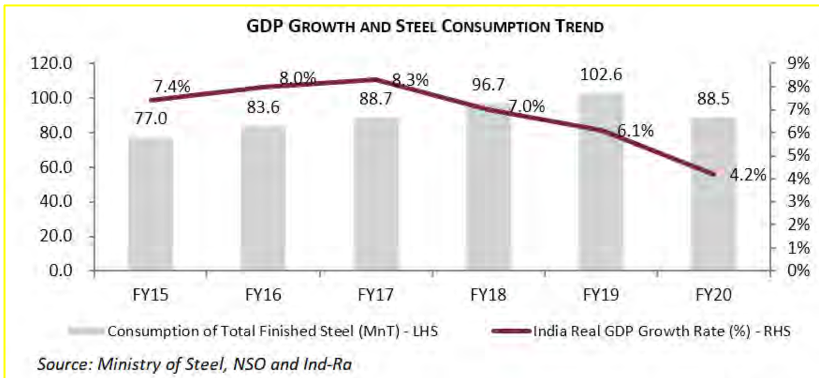
Alloy & Non-Alloy Steel

Alloy Steel: When other elements comprising metals and non-metals are added to carbon steel, alloy steel is formed. These alloy steels display various environmental, chemical and physical properties that can vary with the elements used to alloy. Here the proportion of alloying elements can provide different mechanical properties. Common elements used to make alloys include manganese, silicon, nickel, lead, copper, chromium, tungsten, molybdenum, niobium and vanadium.

There are two kinds of alloy steel – low-alloy steel and high-alloy steel. Low-alloy steels are the ones which have up to 8% alloying elements whereas high-alloy steels have more than 8% alloying elements. Hundreds of products that can be manufactured with alloy steels of varying compositions. These include alloy steel pipes and tubes, alloy steel plates, sheets and coils, alloy steel bars, rods and wires, alloy steel forged fittings, alloy steel buttweld fittings, alloy steel flanges, fasteners and more. Alloy steels have many uses in various industries such as automobiles, mining, machinery and equipment, railways, road construction, buildings, appliances and off-shore applications.

Non-Alloy Steel: Non-alloy steel is composed of iron and carbon and is the most commonly produced variant of steel (approximately 90% of global steel output). The main components are carbon, manganese and silicon in varied proportions up to 1.7%, 0.9% and 0.3% respectively. A change in the composition of carbon affects the properties of carbon steel. Mild steel is the most widely-used variety of steel. These steels, by definition, do not contain any alloying element in specified proportions. Key uses of non-alloy steel include car bodies, rails and rail products (such as coupling, crank shafts and axles), cutting tools, pistons and cylinders.

Steel has contributed immensely towards India's economic growth. This is evident from the similar growth patterns of India's GDP and steel consumption in the country, which also highlights the economy's dependence on steel. National consumption of finished steel rose from 77.0 MnT in FY 15 to 88.7 MnT in FY 17, while India's Real GDP grew from 7.4% in FY 15 to 8.3% in FY 17. The below chart depicts that the growth in India's finished steel consumption has largely moved in line with the GDP. A gradual expansion in GDP and rise in income has led to robust growth in auto, consumer durables, railways, affordable housing, and rural housing.



The steel sector continues to play a pivotal role in India's journey towards the ambitious target to achieve a INR 371.0 tn economy goal by FY 25. Despite unprecedented challenges due to Covid-19 and subsequent lockdowns, the government's vision of ramping up steelmaking capacity to 300mn tonnes by 2030 remains unaltered. The domestic steel sector has seen a strong revival from the second quarter of 2020-21 onwards, aided by a combination of factors—a strong retail demand emanating from a thriving rural economy, and green shoots of recovery in white goods and the automobile sector, especially from tractors, passenger vehicles and two-wheelers.

Overall, the steel sector is well poised to contribute to the PM Narendra Modi's clarion call of making India self-reliant or Atmanirbhar Bharat. Steel demand will be supported by economic recovery, government spending and enhanced liquidity. The Union Budget for 2021- 2022 has a sharp 34.5% y-o-y increase in allocation for Capex at INR 5.54 lakh crore. The budget's thrust is on infrastructure creation and manufacturing to propel the economy. Therefore, enhanced outlays for key sectors like defence services, railways, and roads, transport and highways would provide impetus to steel consumption which is expected to cross 120-130 MnT in the next couple of years. Key announcements in the Union Budget 2020 and 2021 by FM Nirmala Sitharaman impacting steel and its allied industry is provided below:

Highlights of Union Budget 2021-22

Iron and Steel:

- Customs duty reduced uniformly to 7.5% on semis, flat, and long products of non-alloy, alloy, and stainless steels.
- Duty on steel scrap exempted up to March 31, 2022.
- Anti-Dumping Duty (ADD) and Counter-Veiling Duty (CVD) revoked on certain steel products.
- Duty on copper scrap reduced from 5% to 2.5%.

Auto and Auto Components:

- A voluntary vehicle scrapping policy where vehicles would undergo fitness tests in automated fitness centres after 20 years in case of personal vehicles and after 15 years in case of commercial vehicles.
- Increase in allocation for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India (FAME - India) scheme from INR 3,180.0 mn (RE FY 21) to INR 7570.0 mn (BE FY 22).

Capital and Engineering Goods:

- Out of INR 1.10 lakh crore, for Railways, INR 1.07 lakh crore is for capital expenditure. Further New dedicated freight corridors (DFC) are also announced. Anti- Collision system to be implemented on high density railway network.
- Reforms in the power distribution sector with capex of Rs. 3.06 lakh crore over five years.

Construction:

- Sharp hike in capital expenditure allocation to INR 5.54 lakh crore will lead to new projects announcements across infrastructure sectors which will aid the construction companies
- Special mechanism to enable states to spend on infrastructure will also help in new order flows from which construction companies will be benefitted in terms of building their order books
- Regulatory support to facilitate debt financing and investments in Invits / Reits by foreign investors will help construction companies to monetise HAM projects and BoT projects. Facilitating Invits will aid in monetisation of the completed HAM/ BoT projects thereby releasing capital for these companies.
- Increased spending in metro works and railway works is also expected to be a positive for construction companies.
- Urban Swatcch Bharat Mission 2.0 with outlay of INR 1,480,000.0 mn over 5 years will generate additional business opportunities requiring construction work in urban and rural areas for EPC companies.
- Commissioning of the Western DFC and Eastern DFC by June 2022. Outlay of INR 1,100,550.0 mn, for Railways of which INR 1,071,000.0 mn is for capital expenditure.
  -The Sonnagar – Gomoh Section (263.7 km) of Eastern DFC will be taken up in PPP mode in 2021-22. Gomoh-Dankuni section of 274.3 km will also be taken up in short succession.
  - Undertaking of future dedicated freight corridor projects namely East Coast corridor from Kharagpur to Vijayawada, East-West Corridor from Bhusaval to Kharagpur to Dankuni and North-South corridor from Itarsi to Vijayawada.
  - Broad Gauge Route Kilometers (RKM) electrified is expected to reach 46,000 RKM i.e., 72% by end of 2021 from 41,548 RKM on 1st Oct 2020. 100% electrification of Broad-Gauge routes will be completed by December, 2023.

Ports/Shipping:

- 7 projects worth more than INR 20,000.0 mn will be offered by the Major Ports on Public Private Partnership mode in FY 21-22.
- India has enacted Recycling of Ships Act, 2019. Around 90 ship recycling yards at Alang in Gujarat have already achieved HKC-compliant certificates. Efforts will be made to bring more ships to India from Europe and Japan. Recycling capacity of around 4.5 Million Light Displacement Tonne (LDT) will be doubled by 2024

Real Estate:

- Increase in safe harbour limit from 10% to 20% for the specified primary sale of residential units.
- Proposals pertinent towards Affordable Housing: Additional tax benefit pertaining to interest paid on affordable housing loans to the extent of INR 0.15 mn to be extended by another year to March 31, 2022; Tax holiday on profits earned by the affordable housing developers is also proposed to be extended by another year to March 31, 2022.; Tax exemption for notified Affordable Rental Housing Projects
- Dividend payments to REITs and INVITs is proposed to be exempted from TDS
- Debt Financing of REITs by Foreign Portfolio Investors will be enabled by making suitable amendments in the relevant legislations.

Roads:

- Enhanced outlay of INR 1,18,101.0 lakh crores for Ministry of Road Transport and Highways, of which INR 1,082,300.0 mn is towards capital.
- Proposal to award ~ 16,600 km of National Highways road projects
- Increase in NIP projects from 6835 to 7400 projects
- Notified Infrastructure Debt Funds eligible to raise funds by issuing tax efficient Zero-Coupon Bonds
- The dividend paid to Real Estate Infrastructure Trusts or Infrastructure Investment Trusts (REIT/InvIT) shall be exempt from TDS.

- The capital outlay allocated towards the Roads and Highway sector is INR 0.77 lakh crore
- Development of 2,500 Km access control highways, 9,000 Km of economic corridors, 2,000 Km of coastal and land port roads and 2,000 Km of strategic highways
- Proposal to monetise at least 12 lots of highway bundles of over 6,000 Km before 2024.
- Setting up large solar power capacity alongside rail track on land owned by Indian Railways to optimise electrification cost
- Aim to achieve railway electrification of 27000 km track
- Public Private Participation for re-development of four Stations and operation of 150 passenger trains
- Speedy implementation of Mumbai Ahmedabad high speed rail project
- Bengaluru suburban transport to be completed at INR 186,000.0mn with 20% equity by Government and facilitation of external assistance of 60%
- Rolling out additional Tejas trains

Indian Steel Demand in global context

In 2019, India became the second largest crude steel producing country in the world, with a crude steel production of 111.4 MnT, as compared to 99.6 MnT in 2020 (drop of 10.6% as compared to the previous year). Though, the steel industry has been one of the primary beneficiaries of India's rapid economic growth over the past couple of decades. However, steel demand remained subdued in CY 2019 and CY2020, largely due to lower consumption from construction, auto, infrastructure, real estate, and manufacturing industries. Further, the slowdown in the government's infrastructure investments and credit tightness impacted demand and consequently weighed on pricing.

Per Capita Steel Consumption

Year	World	China	India	USA	Japan	South Korea
2013	214.3	532.7	57.5	302.5	508.4	1,028.1
2014	212.8	507.9	58.7	335.6	528.1	1,097.1
2015	204.2	477.9	61.2	299.6	491.9	1,097.9
2016	203.8	481.6	63.1	284.4	486.6	1,119.5
2017	216.5	544.6	66.2	300.6	504.9	1,102.1
2018	224.0	585.6	71.5	305.0	514.2	1,049.6
2019	229.3	632.9	74.3	296.8	498.1	1,039.0
2020	227.5	691.3	64.2	241.8	415.7	954.9

Source: World Steel Association

India's per capita steel consumption is only one-third of the world average. The per capita consumption of crude steel in India stood at just 64.2 kgs in 2020 against the world average of 227.5 kgs. Increasing population, rapid urbanisation, mobility and infrastructure requirements and government initiatives such as 'Make in India' are expected to boost steel demand growth. In addition, the government's focus on accelerating the rural economy and plans for building smart cities, affordable housing, dedicated freight and high-speed rail corridors, are expected to create significant demand for steel. The National Steel Policy (NSP) envisages per capita steel consumption to almost double to 160 kg by 2030-31.

Steps taken by government to boost domestic steel industry

National Steel Policy: National Steel Policy 2017 aims to develop a globally competitive steel industry by enhancing the steelmaking capacity to 300 MnT by 2030. The current capacity is 138 MnT. This will be achieved by increasing the contribution from the IAF/EAF route to about 35-40%. The Indian government has indicated that the following objectives of the National Steel Policy, 2017:

1. Increase the crude steel production capacity from current 138.1 MnT to 300 MnT by FY 2031
2. Increase crude steel production from 109.3 MnT in 2018 to 255MnT in 2031, at 85% capacity utilisation.3. Production of finished steel to reach 230 MnT.
4. To export 24 MnT of steel annually and imports to be nil.
3. Increase per capita consumption of steel from 64.2 kg in 2019 to 160 kg by 2030.4. Ensure the availability of key

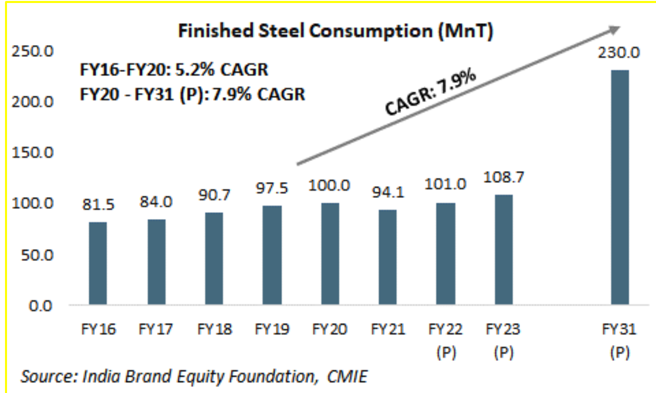
raw materials including iron ore, coking and non-coking coal, natural gas and other metals required for making steel (alloyed/non-alloyed) through policy push

5. Reduce dependence on imported washed coking coal from 85% in FY 17 to 65% in FY 31

6. Adopt energy efficient technology in the smaller steel players to improve productivity and reduce energy consumption

7. Meet the demand for high grade automotive steel, electrical steel and other special steels and alloys through domestic production by FY 31

8. Reduce dependence on imports and become a net exporter of steel by FY 26.



Source: India Brand Equity Foundation, CMIE

The steel industry is highly dependent on raw materials. One tonne of steel produced through the blast furnace route requires more than 2.8 tonnes of raw materials – of which iron ore and coal together account for 2.3 tonnes. To achieve a finished steel production level of 230 MnT by FY 31, NSP 2017 has projected iron ore and coking coal requirements of 437 MnT and 161 MnT, respectively. NSP 2017 aims to promote the development of globally competitive steel manufacturing capabilities in India inter alia by ensuring domestic availability of iron ore and coking coal.

The National Steel Policy, 2017 aims to make India self-sufficient in steel production by 2030. In order to reach 255 MnT of crude steel production by 2030–31, production needs to grow at a CAGR of about 7.2% which is achievable provided demand remains intact.

The government plans to create demand for steel through various policy measures including 'Make in India' scheme. The gross budgetary support towards capital expenditure has been increased significantly to INR 5.54 lakh crore in 2021-22 BE (up 34% from 2020-21 BE, and 26% from 2020-21 RE) with higher allocation towards the infrastructure sector (roads, railways, etc). The demand for steel is expected to remain intact given the low per capita consumption of steel and overall economic growth. Increased spending on infrastructure sector including roads, railways and ship building, anticipated growth in defence sector and the automobile sector are expected to create significant demand for steel in the country.

Import Duty on Steel:

The government of India's (GoI) budget focus on higher infrastructure and capex spending will boost steel demand. The government has also reduced the import duty on steel scrap which shall directly support secondary steel producers and ease-off iron ore prices and availability. This along with the temporary suspension of countervailing duties (CVD) and anti-dumping duties (ADD) would have a stabilising impact on the steel demand-supply balance and the sector margins in the near term. China has rationalised its excess steel capacities since FY 16; however, the country's large scale of steel production along with subsidised exports could pose an import glut risk for India, resulting in margin pressures for domestic producers.

The reduction in import duties to 7.5% (from earlier 10%-12.5%) on all semi and finished alloy and non-alloy steel products should have a stabilising impact on domestic supplies and steel prices in the near term. The secondary producers' margins would largely be protected as the government has also exempted them from 2.5% custom duty on steel scrap. In the current scenario, domestic steel prices are at peak levels but still below the landed import prices and hence the reduced import duty should not put any significant price pressure.

Further, GoI discontinued with the extension of Minimum Import Price (MIP) on steel imports in February 2017 but had given extension to MIP on 19 colour-coated steel products. Government later discontinued it in January 2018. The Steel Minister said that the protectionist measures like MIP and anti-dumping duty cannot continue indefinitely.

Coal Deregulation: The Union Cabinet on 8 January 2020, opened up coal sector for commercial coal mining to firms other than those in the steel and power sectors and removed end-use restrictions on the fuel. The ordinance allows any India-registered company to bid and develop coal blocks. This was done by approving the promulgation of Minerals Law (Amendment) Ordinance 2020 to amend Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) and Coal Mines (Special Provisions) Act, 2015 and Mines and Minerals Development Act, 1957 (CMSP Act).

The ordinance will amend the current provision that allows only companies engaged in iron and steel, power and coal washing sectors to bid for coal mines. Also, earlier, coal produced from coal mines could be used only for the designated captive purpose and was not allowed to be traded in the open market. These restrictions have now been removed. The amendment to the CMSP Act will allow companies that do not have units to consume the coal to bid for the coal mines.

Outlook on the steel industry for the next 5 years

As per Ministry of Steel, India's total steel demand is expected to grow at 7.9% CAGR through FY 31 and reach ~230 Mn MT. This growth will be driven by the building & construction (rising urbanization rate, increasing steel intensity). In December 2019, the government has announced INR 103 lakh crore investment plan for infrastructure development over the next five years and Government initiatives such as Pradhan Mantri Awes Yojana - Urban and Gramin, Make In India, Pradhan Mantri Ujjwala Yojana, National Solar Mission, UDAN (airports), irrigation (PMKSY), National Gas Grid, Sagarmala, DFC's, Bharatmala and AMRUT and Clean Ganga Mission will be demand drivers for steel and will play a key role in India's rise to a INR 371.0 tn economy by 2024-25. The "Jal Jeevan Mission - Nal Se Jal" programme of the Jal Shakti Ministry also envisages usage of Steel pipes (coated mild steel or ductile iron pipes) for the primary water (trunk line) distribution network due to its strong rust and corrosion resistance; long life to enable distribution of safe and sustainable distribution of piped drinking water to Indian households.re segments (investments in roads, railways and airports, increasing steel intensity).

For the next couple of years, estimated steel consumption in the various flagship initiatives of the Government is given below:

Sr. No.	Initiative	Likely Steel Demand (MT)
1.	PMAY Urban	28-32
2.	PMAY Gramin	38-42
3.	Pradhan Mantri Ujjwala Yojna	1.5
4.	National Solar Mission	4.5-5
5.	Airports- UDAN	8
6.	Irrigation- PMKSY	2
7.	National Gas Grid	12
8.	SagarMala	23.5
9.	Railways- DFC's	6.2
10.	Bharatmala	25.1
11.	AMRUT & Clean Ganga Mission	1.7
12.	Jal Jeevan Mission	
	Total	**169.0-177.5**

Source: Ministry of Steel

Long Products – Demand for long products is expected to grow sharply in FY 22, supported by a demand push from the government-led infrastructure investments in affordable housing, railways and rural electrification and road networks and due to a lower base of FY 21. Furthermore, the government allowing secondary producers to supply rebars for infrastructure project shall improve sector competitiveness and pricing. While secondary steel production growth has been lower month on month than primary producers due to the high iron ore prices its limited supplies, the reduction in custom duties on scrap imports and the gradual increase in iron ore supply over FY 22 shall enable them to gradually ramp-up.

Flat Products - Demand for flat products is also likely to grow sharply in FY 22, due to the lower base effect of FY 21 because of COVID-19 in addition to the government infrastructure investment and the recovering auto demand. The auto demand which was faced by a slowdown over FY 20, but has shown a recovery from 2QFY21. The temporary suspension of countervailing duties and anti-dumping duties would have a stabilising impact on the steel demand-supply balance and the sector margins in the near term; however, any extension of such measures could increase credit risks for the sector. Flat product supplies and the market competition could intensify with new capacities coming over FY 22-FY 23 from JSW Steel, Tata Steel etc and the ramp-up of the underutilised stressed assets under new ownerships such as ArcelorMittal Nippon Steel Limited, Tata Steel BSL Limited and likely to be soon resolved Bhushan Power and Steel Limited.

Key Demand Drivers for Steel Industry

In spite of the setback due to COVID-19 and resulting lockdowns there is a silver lining of hope across the major sectors, that commands significant portion of the Steel demand. The largest driver of this demand is the Construction and Infrastructure sector. The sector is expected to witness rapid growth in near future, owing to Government infrastructure projects like Bharatmala, Sagarmala, Atal Mission for Rejuvenation and Urban Transformation, setting up of National Investment and Manufacturing Zone, Smart cities etc.

A big push in the Infrastructure sector can, in turn, catalyse the growth in the Capital Goods sector of which a large part constitutes of Heavy Electrical Equipment, Plant process machinery, and Heavy Earth Moving Machinery (HEMM) as subsectors. The opening of the Mining sector and rapid investment in the Infrastructure sector is expected to result in a growth in Capital Goods which consumes nearly 15% of the domestic Steel productions. Automobile sector is expected to sustain the. Steel demand in mid to long term, if not in the immediate near future, owing to ambitious Automotive Mission Plan 2026.

The Realty sector which has witnessed stagnant demands over the last few years, is also likely to show upward movement within the next 1.5- 2 years, primarily from the Home segment and boost in affordable housing constructions. Work from home is becoming the new normal amidst the pandemic, and demand for office space is likely to witness major space requirement and design changes in form paints used, structures, and digitization. The pandemic also had unexpected effects on the stagnant
Auto sector. Customer sentiments have changed from using public transports to private vehicles (two and four wheelers) as unlocking of the economy is happening.

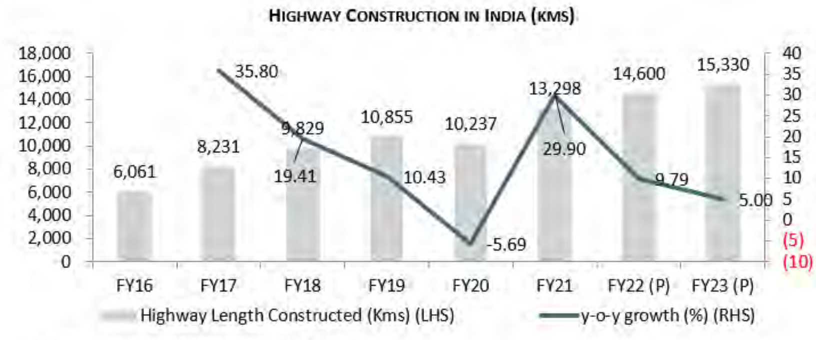
Brief information regarding how key demand segments are expected to perform in the coming years:

Infrastructure: Steel demand from the infrastructure sector including railways comprises of 25-30% of the country's steel demand. Within infrastructure space roads and highways, along with railways (including metros) segment together account for 50-60% of steel demand from the infrastructure space. Other significant contributors include irrigation and dams along with water supply and sanitation.

Steel demand growth from infrastructure space has risen by 6-7% over past five years primarily driven by healthy growth from national highways construction as well as steady investments in railways (dedicated freight corridors, railway electrification, and metro projects across cities).

Going forward, steel demand is expected to witness a healthy 8-10% growth from infrastructure space between FY 22 to FY 25, driven by pick-up in infrastructure investments under National Infrastructure Pipeline (NIP) given that 40-45% of the set target of INR 111 lakh crore is under construction phase and the government will attempt to infuse investments to drive the economy back to recovery path.

Growth from roads & bridges is likely to be driven by the Bharatmala scheme, under which the government plans to construct 83,000 km of national highway in two phases. Additionally, given the low penetration of surfaced roads in key states, the state governments are expected to increase their budgetary allocations to roads and bridges.



Source: MORTH/Media Reports, IRR Advisory

The Union Minister of State for Road, Transport and Shipping has stated that the Government aims to boost corporate investment in roads and shipping sector, along with introducing business-friendly strategies, that will balance profitability with effective project execution. According to the data released by Department for Promotion of Industry and Internal Trade Policy (DPIIT), construction development sector attracted Foreign Direct Investment (FDI) inflow worth INR 1.9 tn in the between April 2000 and December 2020

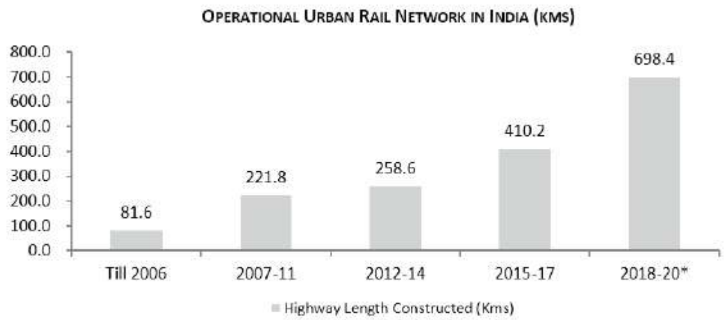
Roads accounted for total share of approximately 48.3% of the construction expenditure in the infrastructure sector during the period FY 15-FY 19. Investments were majorly pushed by the government's implementation of the National Highways Development Project (NHDP) and consistent efforts on improving the rural and state road network by various state governments has supported the growth. The expenditure on road construction has increased with the CAGR of around 17% during the period FY 16-FY 20 amounting to approximately INR 10.5 tn and is expected to grow by around 8.0 – 10.0% to INR 17.0 tn for the period FY 21-FY 25. Major share of the investments during the last 5 years was on State Highways (52.0%), followed by National Highways (39.0%) with small share of rural roads (9.0%). During FY 16 and FY 17, share of investment on State Highways was substantially high. However, investments on National Highways increased over the years. National Highways and State Highways together are expected to account for more than 94.0% of the total investments in the next 5 years. The Government of India has allocated INR 103.9 tn under the National Infrastructure Pipeline for FY 2019-25. The roads sector is likely to account for 18.0% of capital expenditure over FY 2019-25.

Private sector's investments are expected to grow 2x times over the next 5 years
IRR Advisory expects private construction investments in national highways to increase to INR 15 tn over the period FY 21-FY 25 as compared to FY 16-FY 20. A policy push in the form of changes in project contracts like model concession agreements (MCAs) for HAM and BOT projects and a reduction in bid eligibility criteria across all national highway projects would be favourable for private players

Overall, the ministry awarded 10,467 km of highway projects in FY 21 as against 8,948 km in FY 20, while construction length increased to 13,298 km in FY 21 from 10,237 km in FY 20. For FY 22, the ministry has set its construction target at 14,600 km of national highways.

Metro

During the period FY 16-FY 20, construction spends on metro was around INR 800.0 bn and it is estimated that construction spends on metro projects in India is expected to be around INR 1.0 tn over the next five years. Capital expenditure in metros is expected to make it the second-largest contributor to urban infrastructure investments. Large number of metro projects are under construction and have achieved financial closure but the lockdown and labour migration did put temporary brakes on investments. A new metro rail policy was announced in Union Budget 2018 to emphasise private participation in the sector.



Source: Media Reports
**Upto March 2020*

India's metro footprint is expanding at a steady pace. The urban rail network has increased significantly, up from 81.5kms in 2006 to ~700 km operational currently (up to March 2020). The network has expanded from two cities in 2006 to about 13 cities as of March 2020. Delhi Metro has the highest operational network of 348 km, followed by Hyderabad Metro (66 km) and Chennai Metro (45 km).

Metro network in India recorded the highest growth in a span of three years during 2018-20 (up to March), with metro stretches spanning about 288 km being completed in key cities such as Chennai (17.9 km), Hyderabad (38.44 km), Delhi (130.54 km), Noida (29.71 km), Ahmedabad (6.5 km), Mumbai (11.28 km), Kochi (6.8 km), Nagpur (24.5 km), Jaipur (2.35 km) and Lucknow (14.38 km). The current pipeline of projects in the urban rail sector spells significant opportunity. Over 25 cities in India will have operational metro rail networks in the coming years. In the next 4-5 years, at least INR 3-4 trillion worth of projects are expected to be commissioned.

Dedicated Freight Corridor

The Indian Railways announced the DFC project comprising the eastern and western corridors in FY 2006.

The estimated cost of the project was INR 814.0 bn, which includes land and construction costs of INR 81.0 bn and INR 734.0 bn respectively, that was approved in June 2015. The cost of the project will be funded by a combination of debt from bilateral/multilateral agencies, equity from the Ministry of Railways and a public private partnership (PPP). Dedicated Freight Corridor Corporation of India Ltd. (DFCCIL), a special purpose vehicle (SPV), was set up to construct the two corridors in October 2006. Once completed, these corridors will ensure a quantum jump in freight capacity, with improved quality of service at reduced unit cost. The progress on completion of the eastern and western corridors remains a key monitorable. DFC projects are expected to consume 17 MnT of steel in the next 5 years.

Defence / Port and Airports Infra

The civil aviation industry in India has emerged as one of the fastest growing industries in the country during FY 18-FY 20. India has become the third largest domestic aviation market in the world and as per International Air Transport Association (IATA), it is expected to overtake UK to become the third largest air passenger market by 2024. India’s aviation industry is expected to witness INR 371.0 bn investment over the period FY 21-FY 24. The Indian Government is planning to invest USD 1.8bn for development of airport infrastructure along with aviation navigation services by 2026.

According to the Ministry of Shipping, around 95.0% of India's trading by volume and 70.0% by value is done through maritime transport. India has 12 major and 205 notified minor and intermediate ports. Under the National Perspective Plan for Sagarmala, six new mega ports will be developed in the country. India is the sixteenth-largest maritime country in the world with a coastline of about 7,517 kms. Government has allowed Foreign Direct Investment (FDI) of up to 100.0% under the automatic route for port and harbour construction and maintenance projects. It has also facilitated a 10-year tax holiday to enterprises that develop, maintain and operate ports, inland waterways and inland ports. In Union Budget 2020-21, the total allocation for the Ministry of Shipping was INR 17.32 bn. The government announced that seven major ports worth INR 20.33 bn will commence operations under the public-private partnership model in 2021-22. The capacity addition at ports is expected to grow at a CAGR of 5-6% till 2022, thereby adding 275-325 MnT of capacity. As part of the Sagarmala project, more than 574 projects worth INR 6.08 tn have been planned for implementation between 2015 and 2035. In Maritime India Summit 2021, the Ministry of Ports, Shipping and Waterways identified a total of 400 projects worth INR 2.3 tn investment potential. India’s defence manufacturing sector has been witnessing a CAGR of 3.9% between FY 16 and FY 20. The Indian government has set the defence production target at INR 1.85 tn by 2025 which includes INR 371.0 bn from exports by 2025. The defence ministry estimates potential contract worth INR 4.24 tn for the domestic industry in the next 5-7 years.

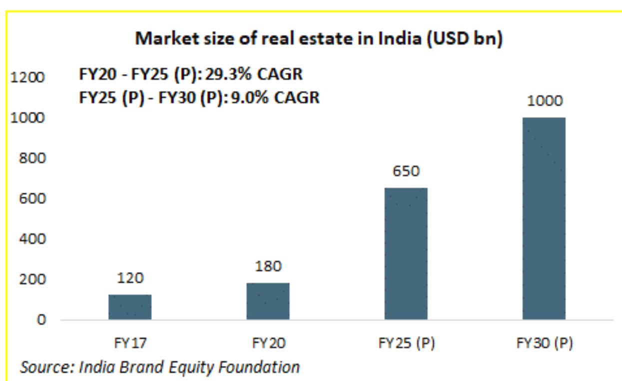
Automobile: COVID-19 has led to consumers showing increased proclivity for personal vehicle rather than travelling in shared or public transportation. While public transportation has gradually opened up, people would still prefer to travel in their owned vehicles. Moreover, around 55% of the industry demand comes from the replacement side where consumers had deferred their new purchases in FY 21. There could be a bounce back of this demand in FY 22. Moreover, as household financial savings usually move in tandem with GDP growth rate, it should improve consumer sentiments and enable discretionary expenditure such as PVs. The price hike since BS-VI implementation and recent hikes by OEMs are also not material to impact demand adversely.

The COVID-19 pandemic has led to a delay in the penetration of EVs especially in buses and 3Ws, due to the overall slowdown in the demand. This demand for these segments is likely to recover once public transportation resumes after reopening of schools/colleges/offices. The government's commitment towards EVs is visible from the announced INR 181 billion PLI scheme for advance chemistry cell battery manufacturing, coupled with existing FAME II policy, reduced tax rate as well as several policies at state level. In PVs, notable EV penetration is unlikely unless economic viability and adequate charging infrastructure are established. IRR Advisory continues to believe electrification would be faster in 2Ws (especially scooters), 3Ws and buses due to cost viability and easier charging options, supported by increasing fuel prices.

Building & Construction: As of FY 20, steel demand from the building & construction (B&C) sector accounts for 35-40% of the country's steel demand. The housing segment accounts for around 70-75% share in the building and construction segment, with industrial and commercial segments making up the remainder.

A growing population, urbanisation, increasing pace of nuclearization along with concretisation of kutcha houses under various central and state government- led programmes will be key demand drivers for the segment. While population growth is likely to moderate in the longer run, rapid urbanisation and nuclearization will drive incremental demand for housing over the long term. Supporting demand will also be multiple ownership of houses in urban areas, rising affluence of the middle class, and upgradation of houses.

Within the building and construction space, rising share of high-rise construction (even in Tier II and Tier III cities) and reduced column sizes for larger parking spaces, etc, will increase steel demand, given higher intensity. In the top 8 cities in India, we have ~1.2 bn sq. ft. under construction, which will help steel demand over the next 3-4 years.



Also, government initiatives on the housing front through the Pradhan Mantri Awas Yojana (PMAY) scheme for urban and rural areas will help drive steel demand growth.

Real Estate & Affordable housing

Real estate sector in India is expected to reach INR 74.2 tn in market size by FY 30 from INR 13.35 tn in FY 20 with the CAGR of 18.7%. The market is forecast to reach INR 48.23 tn, representing 13% of India's GDP by FY 25.

Government of India's 'Housing for All' initiative is expected to bring INR 96.46 tn investment in the housing sector by 2025. The residential sector is expected to grow significantly, with the central government aiming to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious PMAY scheme.

Capital Goods: The sector is dependent on construction, mining and heavy and light industries for fuelling its growth. Capital goods segment account for ~15% of India's steel demand and it is expected to reach 50 MT of steel consumption by 2030–2031. Key demand drivers include aging equipment that requires replacement, massive power capacity additions in the future, the DMI & SP Policy, the aerospace and defence sector, and the electrical equipment market. However, this is a leading import area because of low investments in technology and talent.

Key Government Initiatives Driving Steel Demand

India's per capita steel consumption is only one-third of the world average. Increasing population, rapid urbanisation, mobility and infrastructure requirements and government initiatives such as 'Make in India' are expected to boost steel demand growth. In addition, the government's focus on accelerating the rural economy and plans for building smart cities, affordable housing, dedicated freight and high-speed rail corridors, are expected to create significant demand for steel. The National Steel Policy (NSP) envisages per capita steel consumption to almost double to 160 kg by 2030-31.

The FY 22 budget by announcing the setting up of Development Finance Institutions (DFIs) with a corpus of INR 200 bn will go a long way in filling-up the gap created by the demise of erstwhile DFIs namely Industrial Finance Corporation of India, Industrial Credit and Investment Corporation of India, and Industrial Development Bank of India. Unlike banks, DFIs, besides bringing in the knowledge of project financing, are known for patient capital suited for infrastructure financing. The debt financing of InvITs and REITs by foreign portfolio inflows and monetisation of operating public infrastructure assets are the right steps towards infrastructure financing

Smart Cities Mission was launched by the Hon'ble Prime Minister on 25th June, 2015. The main objective of the Mission is to promote cities that provide core infrastructure, clean and sustainable environment and give a decent quality of life to their citizens through the application of 'smart solutions'. 100 cities have been selected to be developed as Smart Cities through a two-stage competition.

Central Government will give financial support to the extent of INR 480,000.0 mn over 5 years i.e. on an average INR 1,000.0 mn per city per year. An equal amount on a matching basis is to be provided by the State/ULB. Additional resources are to be raised through convergence, from ULBs' own funds, grants under Finance Commission, innovative finance mechanisms such as Municipal Bonds, other government programs and borrowings. Emphasis has been given on the participation of private sector through PPP. Citizens' aspirations were captured in the Smart City Proposals (SCPs) prepared by the selected cities. Aggregated at the national level, these proposals contained more than 5,000 projects worth over INR 2,000.0 bn, of which 45% is to be funded through Mission grants, 21% through convergence, 21% through PPP and rest from other sources.

Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

AMRUT was launched in June 2015 by PM Narendra Modi under the Government of India. The AMRUT scheme is an initiative to provide basic civic amenities to the urban areas to improve the quality of life with major focus to the poor and the disadvantaged. The scheme focuses on establishing an infrastructure for ensuring adequate sewage networks and water supply in the urban areas through the implementation of the urban revival projects.

Pradhan Mantri Awas Yojana (PMAY)

Pradhan Mantri Awas Yojana (Urban) for ensuring housing for all in urban areas was launched on 25th June 2015 providing pucca houses to all eligible beneficiaries by 2022. The Mission provides Central Assistance to the implementing agencies through States/Union Territories (UTs) and Central Nodal Agencies (CNAs) for providing houses to all eligible families/ beneficiaries against the validated demand for houses for about 1.12 cr. A pick-up in demand for affordable housing will not only provide a leg up to the performance of banks and housing finance companies, but can also support growth of other allied businesses such as cement and steel.

PMAY Benefits: Credit Linked Subsidy Scheme (CLSS) under PMAY makes the home loan affordable as the subsidy provided on the interest component reduces the outflow of the customer on the home loan. The subsidy amount under the scheme largely depends on the category of income that a customer belongs to and the size of the property unit being financed. The benefits as per the income categories are as follows:

Particulars	EWS	LIG	MIG I	MIG II
Household Income (INR)	0-3,00,000	3,00,001-6,00,000	6,00,001-12,00,000	12,00,001-18,00,000
Eligible Housing Loan Amount for Interest Subsidy (INR)	Upto 6,00,000	Upto 6,00,000	Upto 9,00,000	Upto 12,00,000
Interest Subsidy *% p.a.)	6.5%	6.5%	4.0%	3.0%
Maximum Loan Tenure (Years)	20	20	20	20
Maximum Dwelling Unit Carpet Area (Sq. m)	30	60	160	200
Maximum Interest Subsidy Amount (INR)	2,67,280	2,67,280	2,35,068	2,30,156
Loan Purpose	Purchase/Self Construction/Extension	Purchase/Self Construction/Extension	Purchase/Self Construction	Purchase/Self Construction
Woman Ownership	Yes	Yes	Not Mandatory	Not Mandatory

Source: Industry Sources, IRR Advisory Analysis
Note: Economical Weaker Section (EWS)/Lower Income Group (LIG)/Middle Income Group (MIG)

As per data from Ministry of Housing and Urban Affairs, as of 5th April 2021, the progress of PMAY-U in all states and union territories:

- Sanctioned Houses – 11.25 mn
- Grounded Houses – 8.02 mn
- Completed Houses – 4.80 mn

Sagar Mala

Sagarmala is a flagship project by the government aimed at revitalizing the ports of India in order to enable them to play a primary role in the economic growth and development. The main objective of setting up this scheme was to reduce the logistics cost for exports and imports, by leveraging optimal investments in the port infrastructure,

As part of Sagarmala Programme, more than 574 projects have been identified for implementation, during 2015-2035, across the areas of port modernization and new port development, port connectivity enhancement, port-linked industrialization and coastal community development. As of 30th September 2019, a total of 121 projects (costing INR 302,280.0 mn) have been completed and 201 projects (costing INR 3,090,480.0 mn) are under implementation. Summary of projects is provided below:

Theme	Total		Completed		Under Implementation	
	No. of Projects	Project Cost (INR mn)	No. of Projects	Project Cost (INR mn)	No. of Projects	Project Cost (INR mn)
Port Modernization	236	11,83,520.0	68	2,25,510.0	70	3,69,980.0
Port Connectivity	235	23,55,280.0	35	58,030.0	94	11,93,600,0
Port Led Industrialization	35	24,02,340.0	2	5,120.0	17	15,17,450.0
Coastal Community Development	68	73,690.0	16	13,620.0	20	9,450.0
Total	**574**	**60,14,830.0**	**121**	**3,02,280.0**	**201**	**30,90,480.0**

Source: Ministry of Ports, Shipping & Waterways, GoI

Road Infrastructure

Length of national highways construction has increased at a CAGR of 17.0% during FY 16-21 (from 6,061 kms in FY 16 to 13,298 kms in FY 21) while pace of construction per day too has increased from it being 16.6 km/day during FY 16 to 37 km/day during FY 21. The pace of construction per day is expected to increase to 40 km/day in FY 22. NHAI's initiative to declare appointed date only after handover of 80% land and higher awarding in FY 17 and FY 18 has resulted in steady increase in pace of construction.

Under the Union Budget 2021-22, the GoI has allocated INR 1,082,300.0 mn to the Ministry of Road Transport and Highways. The National Highway Authority of India (NHAI) awarded 1,330 km of highways in the first half of FY 21, which was 1.6x of the total awards in FY 20 and 3.5x of the FY 19-levels. NHAI, the nodal authority for building highways across the country, has set a target of awarding 4,500 km of projects in FY 21. In December 2020, the MoRTH proposed to develop additional 60,000 kms of national highways (in the next five years), of which 2,500 kms are expressways/access-controlled highways, 9,000 kms are economic corridors, 2,000 kms are coastal and port connectivity highways and 2,000 kms are border road/strategic highways. The ministry also intends to improve connectivity for 100 tourist destinations and construct bypasses for 45 towns/cities.

Pradhan Mantri Gram Sadak Yojana (PMGSY)

The government launched PMGSY on 25th December, 2000; to provide all-weather access to unconnected villages in the country. The Ministry of Rural Development along with state governments is responsible for the implementation of PMGSY. As per the Economic Survey tabled in the Parliament on 29th January 2021, two phases of the rural roads scheme have been completed and the third phase was launched in 2019 with the target of 1.25 lakh km all-weather road connectivity. In Budget 2021, the finance ministry has allocated INR 150,000.0 mn for the development of roads in rural and backward areas as compared to INR 195,000.0 mn in Budget 2020.

Year	Road Length Sanctioned (kms)
FY 16	5,46,772.2
FY 17	5,97,226.9
FY 18	6,49,429.4
FY 19	6,88,460.9
FY 20	7,16,195.8
FY 21	7,60,389.9

Source: PMGSY Website

Bharatmala Pariyojana

Bharatmala Pariyojana is the flagship program introduced by the government of India during FY 18, which involved the development of 65,000 km of national highways. It has now been subsumed under the array of projects under the National Infrastructure Pipeline (NIP).

Under Phase-I of Bharatmala Pariyojana, the Ministry has approved implementation of 34,800 km of national highways in 5 years with an outlay of INR 5.35 lakh crore for development of about 9,000 km length of Economic corridors, about 6,000 km length of Inter-corridor and feeder roads, about 5,000 km length of National Corridors Efficiency improvements, about 2,000 km length of Border and International connectivity roads, about 2,000 km length of Coastal and port connectivity roads, and about 800 km length of Expressways. NHAI has been mandated development of about 27,500 km of national highways under Bharatmala Pariyojna Phase-I.

A total of 246 road projects with an aggregate length of about 10,100 km (which is approximately 29l% of the project contracts under Phase-I) have been awarded till February, 2020 under Bharatmala Pariyojana with total project cost of INR 2,384,130.0 mn approximately, which also include projects on Greenfield Corridors. Further, 1,255 Km has been constructed under Bharatmala Project in FY 20.

Phase-I of Bharatmala Pariyojana includes development of:

Scheme	Length (kms)	Cost (INR mn)
Economic Corridors	9,000.0	12,00,000.0
Inter-Corridor & Feeder Roads	6,000.0	8,00,000.0
National Corridor Efficiency improvement	5,000.0	10,00,000.0
Border & International connectivity roads	2,000.0	2,00,000.0
Coastal & port connectivity roads	2,000.0	2,00,000.0
Expressways	800.0	4,00,000.0
Sub Totals	**24,800.0**	**38,50,000.0**
Ongoing Projects, including NHDP*	10,000.0	15,00,000.0
Total	**34,800.0**	**53,50,000.0**

Source: Ministry of Road Transport and Highways
**Balance works under various phases of National Highways Development Project (NHDP) shall be fully subsumed under the proposed Bharatmala Pariyojana, to remove overlap and undertake comprehensive development.*

Dedicated Freight Corridor Corporation of India Ltd (DFCCIL)

DFCCIL is a special purpose vehicle (SPV) promoted by the GoI, through the Ministry of Railways (MoR), to build, operate and maintain dedicated freight railway lines along the rail routes on the Golden Quadrilateral and diagonals. The dedicated freight network would ease the congestion on the existing rail network, allowing the IR to run additional passenger trains. Further, the proposed design features of the project would allow the IR to run high-speed and high-axle load trains, improving its operating efficiency.

In the first phase, DFCCIL plans to construct two DFCs – the Eastern DFC (Ludhiana to Dankuni) and the Western DFC (Dadri to Mumbai) – covering a length of 3,360 km and is expected to consume 17 metric tonnes of steel in next five years. Both the corridors are scheduled to be fully operational by 31st December, 2021. The completion cost for these two corridors is estimated at INR 814,590.0 mn (including land cost of INR 80,670.0 mn to be borne by the MoR. The cost, excluding the land cost, is expected at INR 733,920.0 mn and is to be borne by DFCCIL). The cost is proposed to be funded by the MoR via equity of around INR 237,960.0 mn (including land), external debt (JICA and World Bank) of INR 523,470.0 mn and the balance through internal accruals. A part of the freight corridor (not included in the project cost of INR 814,590.0 mn) is proposed to be funded in the PPP mode. The current funding plan does not foresee any commercial borrowings.

Bullet Train Projects

National High Speed Rail Corporation had launched the first bullet train in India running between Mumbai to Ahmedabad (508 kms). In January 2021, Larsen & Toubro (L&T) was awarded the contract up to INR 25,000.0 mn for the upcoming project along with contract for procurement and fabrication of 28 steel bridges (Superstructure) for crossing over railway lines, rivers, highways, roads, and other structures (P-4 Package) for the Mumbai Ahmedabad High-Speed Rail Corridor. It is estimated that about 70,000 MT of steel will be used for the fabrication of these steel bridges and Indian steel industries and their allied supply chains will get a big boost.

Other than Mumbai – Ahmedabad Bullet Train project, feasibility studies have been sanctioned by the national transporter for seven more high-speed rail corridors including Delhi – Ahmedabad, Delhi – Amritsar, Varanasi – Howrah, Delhi – Varanasi, Mumbai – Hyderabad, Mumbai – Nagpur, Chennai – Mysore rail corridors.

Recent budget initiatives for creating a structure for long term funding for infrastructure projects under NIP programme

In the Union Budget of 2021-22, the Union Minister for Finance & Corporate Affairs has proposed to achieve the target of National Infrastructure Pipeline (NIP) in the coming years the Government proposes following three steps:

- Creation of institutional structures
- A big thrust on monetizing assets
- Enhancing the share of capital expenditure in Central and State budgets

NIP which was launched in December 2019 with 6,835 projects has now expanded to 7,400 projects and around 217 projects worth INR 1.1 lakh crore under some key infrastructure Ministries have been completed.

Infrastructure financing - Development Financial Institution (DFI):

The Union Finance Minister has announced that a sum of INR 200,000.0 mn has been provisioned in the Union Budget to capitalise Development Financial Institution (DFI).

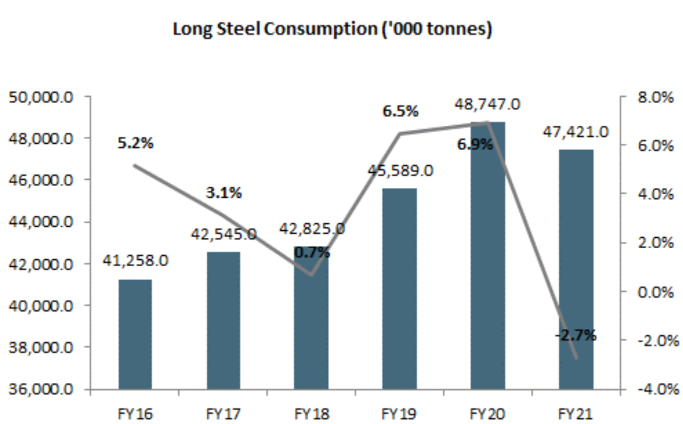
The government is planning to have a lending portfolio of at least INR 5.0 lakh crore for this DFI in three years' time. Also, in order to enable Debt Financing of InVITs and REITs by Foreign Portfolio Investors suitable amendments will be done in the relevant legislations. The move is expected to help in augmenting funds for infrastructure and real estate sectors.

Asset Monetisation: The Ministry has launched "National Monetization Pipeline" of potential brownfield infrastructure assets in view of monetizing operating public infrastructure assets as it is an important financing option for new infrastructure construction.

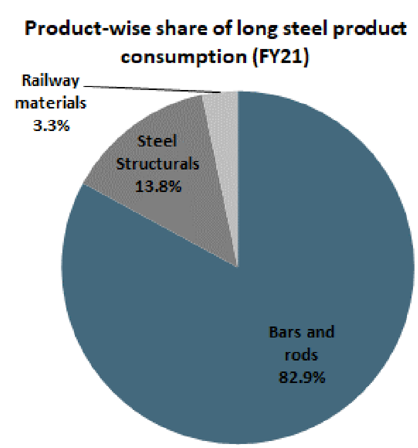
- NHAI and Power Grid Corporation of India Ltd (PGCIL) each have sponsored one InvIT that will attract international and domestic institutional investors. Five operational roads with an estimated enterprise value of INR 50,000.0 mn are being transferred to the NHAI InvIT. Similarly, transmission assets of a value of INR 70,000.0 mn will be transferred to the PGCIL InvIT.
- Railways will monetize Dedicated Freight Corridor assets for operations and maintenance, after commissioning.
- Other core infrastructure assets that will be rolled out under the Asset Monetization Programme are: (i) NHAI Operational Toll Roads (ii) Transmission Assets of PGCIL (iii) Oil and Gas Pipelines of GAIL, IOCL and HPCL (iv) AAI Airports in Tier II and III cities, (v) Other Railway Infrastructure Assets (vi) Warehousing Assets of CPSEs such as Central Warehousing Corporation and NAFED among others and (vii) Sports Stadiums.

Overview of Long Steel Industry

India is the 2nd largest producer of crude steel owing to a rapid rise in production. The Indian steel industry accounts for about 2.0% to the country's GDP with an output multiplier of 1.4x and an employment multiplier of 6.8x on the overall economy. According to WSA, the global per capita finished steel consumption in 2020 was pegged at 227.5 kg and 691.3 kg for China. As per Joint Plant Committee (JPC), India's per capita finished steel consumption in 2018 stood at 73.3 kg and is approximately 74.6 kg in FY 20.



Source: CMIE, IRR Advisory



Souce: CMIE, IRR Advisory

Long steel products are produced by hot rolling/ forging of bloom/ billets/ pencil ingots into useable shape and sizes. These are normally supplied in straight length/cut length except wire rods, which are supplied in irregularly wound coils. The different types of long products include bar and rods, Cold Twisted Deformed (CTD)/Thermo Mechanical Treatment (TMT), wire rod, angles, shapes and sections.

Details of various types of long steel products are given below:

Product	Particulars
Bars and Rods	Bars and rods are produced by hot rolling/forging of bloom/billets/pencil ingots into different shapes like round, flat bars, squares, hexagons, octagons and different sizes. It finds direct use in a wide variety of products in agricultural and engineering field, household, furniture without any requirement of further processing.
Cold Twisted Deformed/Thermo Mechanical Treatment	CTD/TMT are bars while rods are hot rolled round bars with indentations and are supplied in straight length or in folded bundles. It is used in civil construction.
Wire rod	Wire rod is hot rolled plain bar or rod without indentation in col form. It is used to produce steel wires and also steel bars.
Angles, shapes and section	Angles, shapes and section is hot rolled structural sections obtained by hot rolling of blooms/billets. These includes channels, grinders, joist, I beams, H beams, and majorly used in civil/mechanical construction.
Railway materials	Rails are hot rolled rail sections which are obtained by hot rolling of blooms, billets. It is used in railways.
Wires	Wires are obtained by cold drawing of wire rod through a die. It is supplied in the form of coils.
Bright bars	Bright bars are cold drawn/ground/peeled plain bars obtained from hot rolled plain bars/wire rods.

Source: IRR Advisory
Note: Bars and rods include wire rod, bright bars, CTD/TMT. Steel Structurals include angles, shapes and section.

India's long steel demand has risen at a modest 2.8%. Though it grew with the CAGR of 4.3% from 41.3 MT in FY 16 to 48.7 MT in FY 20.

Domestic consumption of long steel products has always remained higher than the demand for flat steel products except for FY 20. In the last six years (FY 16 – FY 21), long products accounted for a majority share of 50.4%-54.8% of India's overall steel consumption but it has fallen in the last 5 years.

Size and split across key components

If we look into domestic long steel product consumption (includes non-alloy steel only) in FY 21, bars and rods accounts for the largest share of 82.9%, followed by structurals (13.8%). Bars and rods include wire rod, bright bars, CTD/TMT. Steel Structurals include angles, shapes and section. The share of railway materials stood at a nominal 3.3%. Rebars/TMT bars are the leading contributor within the bars and rods product category, followed by other value-added products like wire rods and special bars.

Product-wise long steel consumption (in '000 tonnes)

Product-wise Long Steel Consumption (in '000 tonnes)	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
Bars and rods	32,997.0	33,694.0	33,387.0	38,828.0	39,718.0	39,325.0
Steel Structurals	7,348.0	7,800.0	8,230.0	8,335.0	7,180.0	6,548.0
Railway materials	913.0	1,051.0	1,208.0	1,426.0	1,849.0	1,548.0
Total- Long Steel	41,258.0	42,545.0	42,825.0	45,589.0	48,747.0	47,421.0
Total long steel as % of total finished steel gross production	**54.8%**	**55.0%**	**51.7%**	**53.1%**	**48.4%**	**50.4%**

Source: CMIE, IRR Advisory

Note: Bars and rods include wire rod, bright bars, CTD/TMT. Steel Structurals include angles, shapes and section

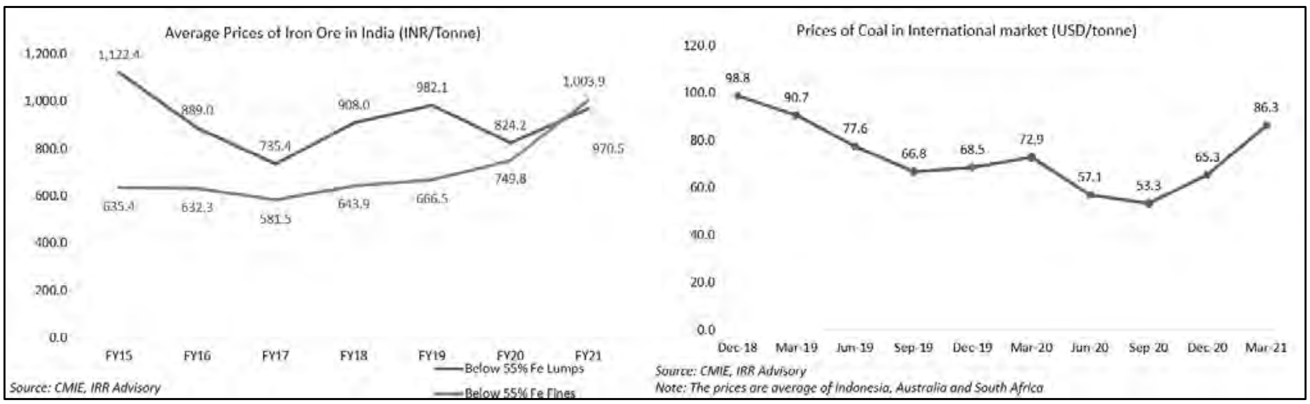
Domestic consumption of long steel products has always remained higher than the demand for flat steel products except for FY 20. In the last six years (FY 16 – FY 21), long products accounted for a majority share of 50.4%-54.8% of India's overall steel consumption but it has fallen in the last 5 years.

Size and split across key components

If we look into domestic long steel product consumption (includes non-alloy steel only) in FY 21, bars and rods accounts for the largest share of 82.9%, followed by structurals (13.8%). Bars and rods include wire rod, bright bars, CTD/TMT. Steel Structurals include angles, shapes and section. The share of railway materials stood at a nominal 3.3%. Rebars/TMT bars are the leading contributor within the bars and rods product category, followed by other value-added products like wire rods and special bars.

Long steel product sizes and price (2020-21)

Domestic spreads improved significantly in mid-April 2021 due to higher steel prices and lower coking coal prices.

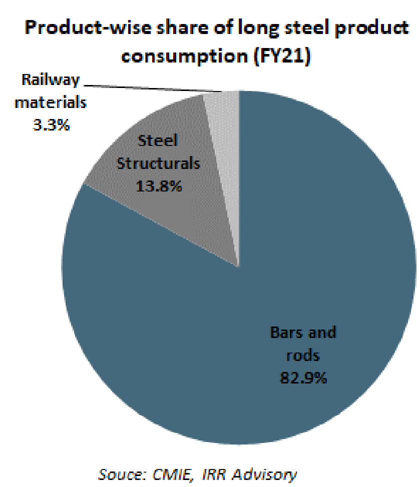


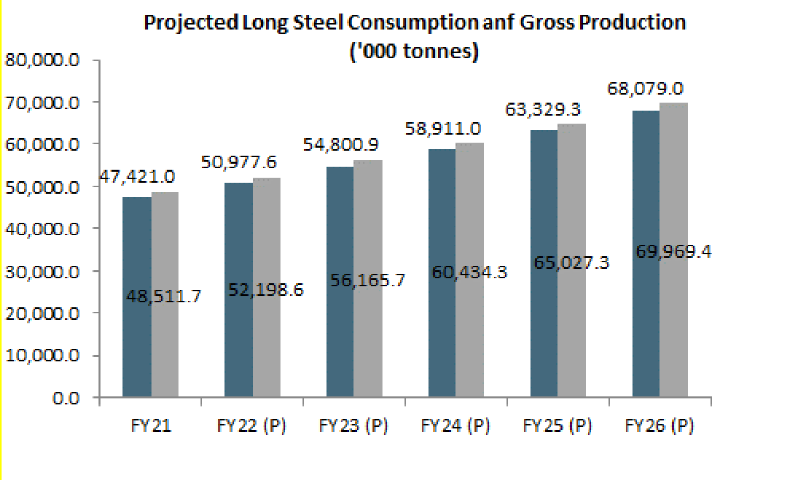
Average Finished Steel prices rose from INR 41,664 per tonne in FY 17 to INR 48,531 per tonne in FY 18 and further up to INR 57,776 per tonne eventually dropping to INR 49,818 per tonne in FY 20. Average steel prices were 13.8% lower in FY 20 on account of sluggish domestic demand as well as fall in international prices but the prices rose again to the tune of INR 58,581 in FY 21 which led to the improvement in the profitability. Increase in Iron Ore and coal prices during the period was the major reason for the growth in Finished Steel prices.

Region wise consumption

Steel production is concentrated in the mineral rich eastern regions including Jharkhand, Chhattisgarh, West Bengal and Orissa. Other states that produce steel include Maharashtra, Karnataka, and Gujarat.

Steel companies have a wide sales and distribution network across the country, with strong presence in South and West India where a large portion of steel customers are located. Even north India also accounts to similar demand as compared to south and west India. Demand in the eastern India is low as compared to other 3 regions. The demand is in the range of West (31.0 – 33.0%), South (24.0 - 26.0%), North (22.0 – 24.0%) and East (18.0% - 20.0%). The demand is high in western region due to key states like Gujarat and Maharashtra where economic activities are high as compared to other states. Development of new cities like NCR, Gurgaon are leading to growth in steel demand in Uttar Pradesh, Haryana





Source: CMIE, IRR Advisory
Note: Figures on the top of the bar belongs to Consumption

in the Northern region.

Chhattisgarh is among the richest Indian states in terms of mineral wealth, with 28 varieties of major minerals including diamonds. It is the only state in India that produces concentrated tin. Rich deposits of bauxite, limestone, dolomite and corundum are found in the state, making it the ideal location for low-cost production of end products such as cement and aluminium. Production of varied metals such as iron ore, tin and limestone in a single location also makes Chhattisgarh an ideal location for different final products such as iron and steel, cement and electronic components.

Steelmaking is a highly raw material and logistics intensive business, with one tonne of steel requiring the movement of four tonne of raw materials. For a secondary steel producer, raw materials account for around 70.0% of the cost of steelmaking. Iron ore and coal are the two most critical steel making ingredients, and proximity to iron ore and coal mines give considerable competitive advantage to a steel player due to lower logistics costs for raw material procurement. As per Indian Minerals Yearbook 2019, Chhattisgarh recorded the second highest production of 34.94 MnT of iron ore, i.e., about 16.9% of the country's total production among all states in 2018-19. Chhattisgarh being rich in minerals, steel players in the region have per tonne logistics costs 50.0% to 90.0% lower as compared to other steel plants in southern states.

Chhattisgarh is also one of the few power surplus states in the country. Korba district in Chhattisgarh is known as the power capital of India. The state's huge coal reserves present a large opportunity for electricity generation. Steel companies having their own captive power plant in Chhattisgarh not only ensures more regular and uninterrupted power supply but also helps in reducing power and fuel cost providing competitive advantage. Captive power plant reduces power cost to around 50.0% as compared to grid power plant. Chhattisgarh has the highest freight loading capacity in the country and one-sixth of Indian Railway's revenues come from Chhattisgarh. Steel companies having railway siding helps in optimising logistics and associated cost involved in raw material procurement as well as releasing finished goods.

Outlook on the demand supply estimates for the next 5 years

IRR Advisory expects long products demand growth to be sharp in the next 5 years supported by a demand push from the Government-led infrastructure investments in affordable housing, railways and rural electrification and road networks. Furthermore, the government allowing secondary producers to supply rebars for infrastructure project shall improve sector competitiveness and pricing. The reduction in custom duties on scrap imports and the gradual increase in iron ore supply over FY 22 shall enable them to gradually ramp-up.

IRR Advisory expects India's long steel demand and gross production to grow in the range of 7.0% to 8.0% through FY 25 majorly led by building and construction, Infrastructure and Automobile industry.

Domestic steel demand is largely reliant on the infrastructure, construction, auto, real estate & pipes sectors which together account for around 65.0% of the domestic demand. In the infrastructure segment, roads and railways are the two main focus area of the Government and are expected to see rapid growth in central Government's investments in the near term. 17 capital expenditure projects in steel industry worth INR 715.5 bn were announced in FY 21 which is highest over the last 4 years. Project announcement has remained lacklustre during the period FY 18-FY 20.

In the Automobile sector, automobile production decreased in the range of 16.0% to 18.0% due to low demand in FY 21. Initial three months of FY 21 witnessed the industry coming to a standstill as a result of lock-down with Q1 reflecting 75.5% de-growth vis a vis similar period of FY 20. However, the auto sales started to pick-up from June 2020 onwards and the second half of FY 21 witnessed 17.5% growth over similar period in FY 20. Low penetration, fast-paced infrastructure development will increase the demand for long steel products.

Steel Intermediaries Industry Outlook

Demand estimates and outlook on the Sponge iron for the next 5 years

The sponge iron gross production has grown with the CAGR of 22.4 MnT in FY 16 to 37.1 MnT in FY 20 but the production was lower production in FY 21 on account of weak demand due to Covid-19 pandemic and the subsequent lockdown occurring for more than one year since March 2020.

More than two-months of nation-wide lockdown last year as well as regular hindrance in business operation due to partial lockdown currently impacted the demand for sponge iron in the country. The consumption of sponge iron declined by a steep 92.3% in very first month of April of FY 21. Sponge iron consumption was a paltry 219 thousand tonnes in April 2020 compared to 2.8 million tonnes consumed in the year-ago month. The demand for sponge iron slumped as most of the steel makers cut production immediately after the announcement of the nation-wide lockdown in late March 2020.

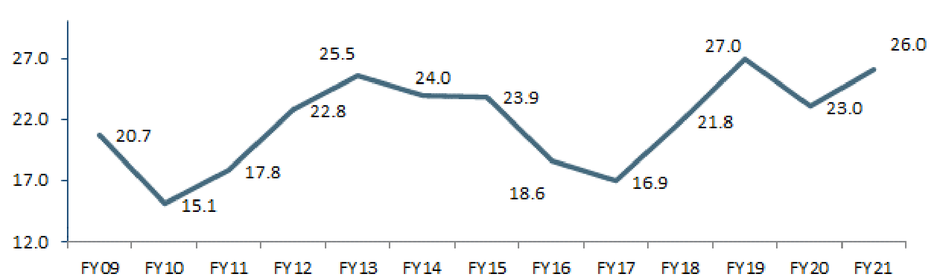
The Government substantially eased the over two-month-long nationwide lockdown from 1st June 2020. Though the number of Covid-19 cases in the country have considerably increased during the 2nd wave of the pandemic leading to further imposition of lockdown by states in April 2021. This will only impede the economic recovery expected post lockdown. The demand for sponge iron is unlikely to bounce back quite soon though increase in economic activity will surely improve the demand in coming years.

IRR Advisory expects prospects of sponge iron industry to grow at approximately 6.0% CAGR over the period (FY 21-FY 25). In coming years, demand for sponge iron would depend on revival in the financial health of secondary steel producers which has improved in FY 21 and expected to improve further with increase in infrastructural activities in the next 2 years to cover the COVID slowdown.

The other key factor which will impact the growth of sponge iron industry in the country is the increasing competition from large players. The share of large players who use Blast Furnace/Basic Oxygen Furnace (BOF) technology to produce long steel products has increased substantially in the last 7 years. In the last 3 years, leading large players like SAIL, JSPL and RINL have added 7 MnT of capacities. This will further increase the share of leading players who uses BF/BOF methods and severely impact small players who are majorly dependent on sponge route to produce steel.

Poor demand keeps downward pressure on the sponge iron prices too. Sponge iron manufacturers will pull down prices in line with an expected fall in steel prices in the coming months.

Sponge Iron prices (INR '000/tonne)



Source: CMIE, IRR Advisory
The prices are average price of Delhi, Chennai, Mumbai, Kolkata

The industry currently has surplus sponge iron capacity. According to Sponge Iron Manufacturers Association, the industry operated at just 41.0% of the capacity in FY 19. Given the current demand scenario and excess capacity, sponge iron manufacturers are unlikely to announce new capacity expansion projects for the next 3-4 years. Below is the capital expenditure overview in relation to sponge iron:

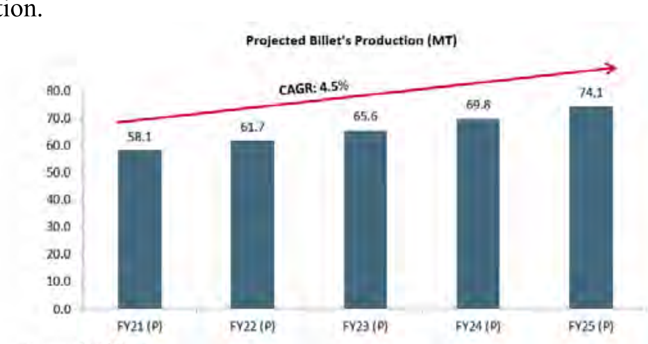
Particulars	During FY 21								At the end of FY 21			
	New Projects Announced		Projects Completed		Projects Dropped		Projects revived		Project outstanding		Project under implementation	
	Cost	Count	Cost	Count	Cost	Count	Cost	Count	Cost	Count	Cost	Count
	INR mn	No.	INR mn	No.	INR mn	No.	INR mn	No.	INR mn	No.	INR mn	No.
India	**86,691.3**	**13**	**-**	**-**	**17,166.3**	**5**	**12,255.4**	**2**	**3,15,018.50**	**80**	**87,731.7**	**21**
Andhra Pradesh	-	-	-	-	-	-	-	-	12,047.0	3	7,000.0	1
Goa	-	-	-	-	300.0	1	-	-	-	-	-	-
Chhattisgarh	38,446.2	6	-	-	1,250.0	1	-	-	90,936.0	20	8,189.2	4
Gujarat	-	-	-	-	-	-	-	-	4,770.0	2	2,610.0	1
Jharkhand	2,539.0	1	-	-	3,766.3	2	-	-	20,229.5	9	46.0	1
Karnataka	-	-	-	-	-	-	-	-	17,592.1	11	1,869.4	2
Madhya Pradesh	-	-	-	-	-	-	-	-	3,470.4	4	-	-
Maharashtra	-	-	-	-	-	-	-	-	28,605.5	3	12,230.0	2
Orissa	40,246.1	4	-	-	11,850.0	1	11,850.0	1	73,221.1	10	44,949.7	
Telangana	1,300.0	1	-	-	-	-	-	-	1,300.0	1	-	-
West Bengal	4,140.0	1	-	-	-	-	405.5	1	62,847.3	17	10,837.4	4

Source: CMIE, IRR Advisory
Count refers to the number of projects for which cost details are available.

The total number of 13 projects worth INR 86.7 bn were announced during FY 21 in India. Out the all the states, Orissa accounts for 46.4% while Chhattisgarh accounts for 44.4% of these projects. Which collectively amounts to INR 78.7 bn. Orissa (INR 40.2 bn) and West Bengal (INR 4.1 bn) were in 2nd and 3rd position respectively where projects were announced during FY 21. None of the project was completed during the year. Two projects worth INR 12.3 bn were revived in Orissa and West Bengal each. The total number of 80 projects worth INR 315.0 bn is currently outstanding while 21 projects amounting to INR 87.7 bn is under implementation at the end of FY 21. Out of the total projects outstanding amounting to INR 315.0 bn, the states with majority of the steel projects are Chhattisgarh (28.9%), Orissa (23.2%) and West Bengal (20.0%). These 3 states account for 72.1% of the total projects which are outstanding while the rest of 27.9% belongs to rest of the country.

Demand estimates and outlook on the Billets for the next 5 years

A billet is typically cast to a rectangular or square cross section compatible with secondary processing. Billets are created directly through continuous casting or extrusion or indirectly through hot rolling an ingot or bloom. Billets are used as raw material for the manufacture of TMT and structural products. Apart from using items as input for finished products, companies also sell billets including customised billets which is an intermediate product. Billet's consumption moves largely in tandem with long steel production at CAGR of around 1.5% during the period FY 16-FY 20. Robust infrastructure demand along with modest growth in housing segment will increase the long steel demand which will eventually lead to billets consumption.



IRR expects India's billet production to increase rise approximately by 4.5% for the period FY 21-FY 25 due to strong growth in building and construction sector, robust infrastructure and automobile demand in the country.

India is expected to become the world's third largest construction market by 2022. Schemes like affordable housing where credit-linked subsidy scheme for middle income households (income group INR 6-18 Lakh) was extended to March 2021. The move is expected to infuse fresh investments of INR 700.0 bn in housing sector, thereby boosting sectors like steel, cement and create jobs.

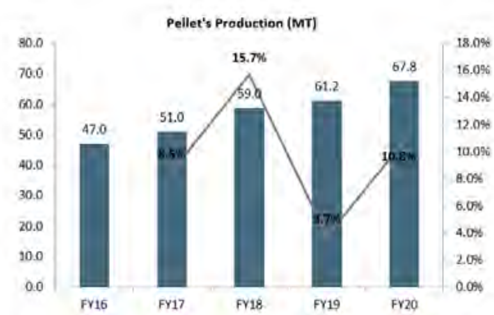
In the infrastructure segment, the Government allocated INR 1.0 tn for strengthening the farm gate infrastructure like cold chains, post-harvest storage infrastructures, etc. India will require investment worth INR 50.0 tn across infrastructure for a sustainable development in the country. In the Union Budget 2021, the Government allocated INR 602.4 bn for road works and INR 573.5 bn for the National Highways. The Government plans to construct 8,500-kms road by March 2022. Moreover, an additional 11,000 kms of National Highway corridors will be completed by March 2022. Along with this, the Government awarded a project worth INR 5.4 tn including construction of around 13,000 kms of roads worth INR 3.3 tn under the Bharatmala Pariyojana.

Automobile sector is expected to reach INR 16.2-18.2 tn by 2026. A study by Council on Energy, Environment and Water (CEEW) recognised INR 15.28 tn opportunity for electric vehicles in India by 2030. Rise in middle class income and young population will result in strong growth. Long with this, Indian automotive industry has target to increase export of vehicles by five times during 2016-26. The Government of India also expects automobile sector to attract INR 593.0-742.0 bn in local and foreign investments by 2023. Policy support with initiatives like Make in India, Automotive Mission Plan 2026, and National Electric Mobility Mission Plan (NEMMP) 2020 will give a huge boost to the sector. In Union Budget 2021-22, the Government introduced the voluntary vehicle scrappage policy, which is likely to boost demand for new vehicles after removing old unfit vehicles currently plying on the Indian roads.

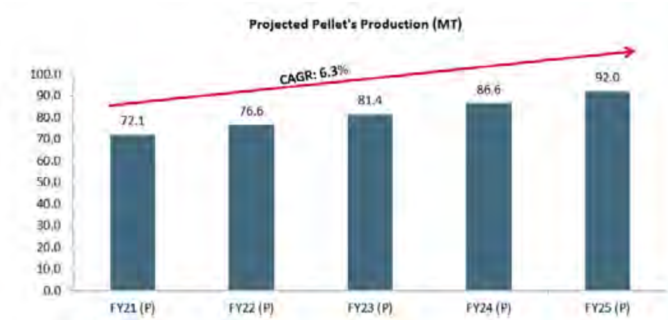
Demand estimates and outlook on the Pellets for the next 5 years

Iron ore pellets are a type of agglomerated ground iron ore fines converted into spherical-shaped balls, which are typically of 6–16 mm and contain 62–72.0% of iron (Fe) along with other materials. Iron ore pellets have good physical and metallurgical properties, owing to which, they are a vital raw material for different types of iron and steel production. Superior properties of iron ore pellets compared to traditional iron ore feed materials; environmental benefits are primary factors driving for the growth of the global iron ore pellets market.

The global iron ore pellets market was estimated at INR 4.25 tn in 2019. In 2019, around 70.0% of all the steel manufactured in the U.S. was made in electric arc furnace that utilizes DR grade pellets. Asia Pacific dominated the market for iron ore pellets with a volume share of 52.3% in 2019.



Source: CMIE, IRR Advisory



Source: IRR Advisory

China is the largest steel producer in the world. The Chinese Government imposed new ultra-low emissions standards on steel producers which ultimately could result in increased demand for high-grade iron ore pellets and pellet feed resulting in higher price premiums for these products. Pellets typically trade at a premium because they have environmental and productivity benefits over other iron ore products. Chinese demand for iron ore pellets is expected to grow with the CAGR of 6.3% from 140 million tonnes in 2018 to approximately 190 million tonnes by 2023. The Government is also planning to increase use of pellets as a raw material in the blast furnaces of integrated steel plants in India.

Sponge iron sector is linked to the nation's steel sector in such a way that a rise in demand for steel would increase the demand for sponge iron and pellets being used to produce sponge iron, growth in demand of steel leads to growth in demand for pellets.

The iron ore production is expected to grow by at slower rate as compared to previous years, as a result of Government lockdowns around the world causing operational disruptions. This should create demand for Iron pellets in short to medium term.

India exported approximately 9.2 MT of iron ore pellets in FY 19. China is the principal iron ore importer from India with 75.0% share, followed by Japan, South Korea, UK, Malaysia and Nepal. Though China was the largest importer of Indian iron ore pellets, it declined during this period. Other countries like Japan, Oman, Singapore, UAE and Vietnam also witnessed a fall in demand for Indian iron ore pellets. Indian pellet exports also saw some new markets such as Turkey, South Africa, Poland, Netherland, Mexico, Chile and Indonesia. Iron ore supply disruptions due to Vale's dam collapse in Brazil and a tropical cyclone in Australia have created a shortage of 60-70 MnT globally in FY 20. With elevated global prices, demand for domestically produced iron ore/Iron pellet is expected to rise. This also led to elevation of domestic prices during FY 21.

Domestic pellet prices were at INR 14,100 MT in mid-April 2021 which were 141.0% higher as compared to previous year. The continuance of strong prices shall benefit pellet producers who would earn healthy margins over Q1 FY 22, especially those who are backward integrated with iron ore mines. International pellet price was at USD196/MT in mid-April 2021 which were 111.0% higher as compared to previous year. Domestic steel players are still taking the advantage of the strong price levels in the international market and increased pellet exports.

Pan India and regional wise capacity additions and ongoing/ planned capacity additions in Steel Industry

Particulars	During FY21								At the end of FY21			
	New projects announced		Projects completed		Projects dropped		Projects revived		Projects outstanding		Projects under implementation	
	Cost	Count	Cost	Count	Cost	Count	Cost	Count	Cost	Count	Cost	Count
	INR mn	No.	INR mn	No.	INR mn	No.	INR mn	No.	INR mn	No.	INR mn	No.
India	**7,14,821.1**	**14**	**2,581.8**	**7**	**1,62,296.9**	**19**	**15,000.0**	**1**	**1,37,10,164.0**	**309**	**39,42,326.5**	**116**
Andhra Pradesh	12,000.0	1	-	-	79,370.0	1	-	-	12,19,040.0	17	2,06,070.0	4
Bihar	-	-	-	-	245.8	1	-	-	3,429.1	6	758.6	2
Chhattisgarh	-	-	-	-	1,527.5	2	-	-	12,34,459.5	46	3,47,723.7	22
Gujarat	350.0	1	1,203.0	2	-	-	-	-	3,83,728.0	13	3,78,320.0	6
Haryana	-	-	-	-	-	-	-	-	1,500.0	1	1,500.0	1
Himachal Pradesh	-	-	303.8	1	1,000.0	1	-	-	4,344.8	12	2,397.4	5
Jharkhand	73,600.0	1	-	-	1,053.0	1	-	-	25,42,263.4	26	8,26,499.2	10
Jammu & Kashmir	302.7	1	-	-	-	-	-	-	302.7	1	-	-
Karnataka	-	-	-	-	-	-	-	-	17,50,156.7	25	8,34,106.0	12
Madhya Pradesh	418.9	1			-	-	-	-	46,988.9	4	15,658.9	2
Maharashtra	-	-	-	-	9,000.0	2	-	-	5,82,184.3	25	1,83,137.2	4
Odisha	6,24,710.0	5			26,850.0	3	-	-	46,09,623.4	52	9,67,276.5	22
Punjab	789.5	1			2,280.0	2	-	-	7,464.1	18	2,546.3	4
Rajasthan			675.0	1	-	-	-	-	25,491.4	3	-	-
Tamil Nadu	1,750.0	2			270.0	1	-	-	30,100.0	10	10,250.0	1
Telangana	-	-	400.0	3	-	-	-	-	3,21,350.0	6	5,500.0	2
Uttar Pradesh	-	-	-	-	-	-	-	-	11,576.0	5	10,426.0	3
Uttarakhand	-	-	-	-	-	-	-	-	557.1	2	-	-
West Bengal	900.0	1	-	-	20,700.6	4	15,000.0	1	8,85,604.6	36	1,50,156.7	16
Unallocated	-	-	-	-	20,000.0	1	-	-	50,000.0	1	-	-

Source: CMIE, IRR Advisory

Count refers to the number of projects for which cost details are available

The total number of 14 projects worth INR 714.8 bn were announced during FY 21 in India. Out the all the states, Orissa accounts for 87.4% of these projects amounting to INR 624.7 bn. Jharkhand (INR 76.6 bn) and Andhra Pradesh (INR 12.0 bn) were in 2nd and 3rd position respectively where projects were announced during FY 21. Total number of 7 projects worth INR 2.6 bn were completed during FY 21. One project worth INR 15.0 bn was revived in West Bengal. The total number of 309 projects worth INR 13.7 tn is currently outstanding while 116 projects amounting to INR 3.9 tn is under implementation at the end of FY 21. Out of the total projects outstanding amounting to INR 13.7 tn, the states with majority of the steel projects are Orissa (33.6%), Jharkhand (18.5%), Karnataka (12.8%), Chhattisgarh (9.0%), Andhra Pradesh (8.9%), West Bengal (6.5%). These 6 states account for 89.3% of the total projects which are outstanding while the rest of 10.7% belongs to rest of the country.

Consolidated financial analysis of the key players in the steel industry (INR Mn)

Particulars	Mar-21	Mar-20	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15
Inc / Exp Performance							
Gross Sales	36,08,209.24	36,61,912.2	40,94,318.3	32,89,311.7	28,29,502.6	25,86,229.8	30,66,991.9
Total Income	36,39,241.33	35,48,739.7	39,78,175.4	31,90,529.7	25,68,878.5	23,23,342.3	27,97,055.9
Total Expenditure	28,01,406.48	30,67,024.7	32,69,402.1	27,06,348.7	22,65,412.6	22,10,733.4	24,61,069.1
PBIDT	8,37,834.85	5,18,671.8	7,08,773.3	4,84,181.0	3,03,466.0	1,12,609.0	3,35,986.8
PBIT	6,16,193.52	2,21,900.3	5,11,773.7	3,43,539.5	1,50,405.2	-24,782.6	2,16,684.8
PBT	4,34,764.09	5,329.0	2,96,522.6	1,54,942.2	-25,780.5	-1,84,134.8	69,791.2
PAT	2,67,736.72	28,661.6	1,39,606.4	1,94,213.7	-94,426.5	-1,17,724.3	-26,074.6
Cash Profit	4,89,378.05	2,55,259.2	3,64,279.0	3,75,023.6	77,316.0	45,708.2	1,23,803.1
Sources of Funds							
Equity Paid Up	-	1,47,211.7	1,47,080.4	1,37,209.5	1,31,780.7	1,31,708.6	1,43,401.2
Reserves and Surplus	-	18,39,008.3	17,94,301.7	15,49,817.2	12,68,295.3	13,78,406.7	12,62,866.8
Net Worth	-	19,87,458.9	19,42,757.9	16,87,656.8	14,00,377.8	15,10,281.7	14,06,998.8
Total Debt (Long Term plus Short Term)	-	29,88,644.2	26,13,281.1	25,11,835.8	24,61,965.8	23,89,735.2	22,38,802.9
Capital Employed	-	49,76,103.1	45,56,039.1	41,99,492.5	38,62,348.6	39,00,022.5	36,45,802.4
Application of Funds							
Gross Block	-	54,58,170.7	50,03,091.0	44,38,741.9	40,20,188.9	36,31,698.7	40,17,630.5
Investments	-	1,23,174.6	1,24,123.9	2,42,029.9	1,79,319.3	1,59,589.1	68,061.2
Cash and Bank balance	-	2,25,297.9	1,12,145.9	1,10,930.4	83,556.1	93,624.3	1,57,428.2
Net Current Assets (Including Current Investments)	-	-2,98,357.0	-3,16,721.3	-2,60,034.5	-4,68,309.6	-3,80,734.7	-1,13,102.0
Total Current Liabilities	-	20,28,226.3	19,16,284.9	17,99,900.5	17,36,297.8	15,06,851.5	14,55,779.3
Total Assets	-	65,66,504.1	61,20,307.8	56,20,549.4	51,44,059.4	50,88,683.0	48,19,716.1
Key Ratios							
Debt to Equity(x)	-	1.50	1.35	1.49	1.76	1.58	1.59
Interest coverage ratio(x)	-	2.40	3.33	2.60	1.74	0.71	2.36
Current Ratio(x)	-	0.85	0.83	0.86	0.73	0.75	0.92
Debt/EBITDA (x)	-	5.76	3.69	5.19	8.11	21.22	6.66
Inventory Days*	-	129.37	117.73	127.34	136.48	128.58	134.02
Debtors Days*	-	27.40	26.61	28.86	31.86	33.52	30.04
Payable Days*	-	85.75	77.94	91.13	92.93	98.25	83.19
Cash Conversion Cycle*	-	71.02	66.39	65.06	75.41	63.84	80.87
ROCE(%)	-	4.5%	11.2%	8.2%	3.9%	-0.6%	5.9%
RONW(%)	-	1.4%	7.2%	11.5%	-6.7%	-7.8%	-1.9%
PBIDTM(%)	23.2%	14.2%	17.3%	14.7%	10.7%	4.4%	11.0%
PATM (%)	7.4%	0.8%	3.4%	5.9%	-3.3%	-4.6%	-0.9%
CPM(%)	13.6%	7.0%	8.9%	11.4%	2.7%	1.8%	4.0%

Source: Ace Equity Database, IRR Advisory, BSE

Note: Key Players include Godawari Power & Ispat Ltd., Jindal Steel & Power Ltd., JSW Ispat Special Products Ltd., JSW Steel Ltd., Kalyani Steels Ltd., MSP Steel & Power Ltd., Rashtriya Ispat Nigam Ltd., Shyam Metalics & Energy Ltd., Steel Authority Of India Ltd., Sarda Energy & Minerals Ltd., Prakash Industries Ltd. and Tata Steel Ltd. Financial Data for FY21 does not include financial numbers of Rashtriya Ispat Nigam Ltd. and Shyam Metalics & Energy Ltd.
**': Inventory Days, Debtor Days, payable Days and Cash Conversion Cycle includes data for all the above key players except Sarda Energy & Minerals and Prakash Industries Ltd.*

The financial performance of the steel industry consistently improved from FY 16 till FY 19. It slowed down to INR 3.7 tn in FY 20. As compared to FY 20, sales increased in FY 21 while the expenditure decreased during the same period. Along with decrease in growth of steel sales, average steel prices that rose from INR 41,664 per tonne in FY 17 to INR 48,531 per tonne in FY 18 and further up to INR 57,776 per tonne in FY 19 dropped to INR 49,818 per tonne in FY 20. Average steel prices were 13.8% lower in FY 20 on account of sluggish domestic demand as well as fall in international prices. But the prices rose again to the tune of INR 58,581 in FY 21 which led to the improvement in the profitability eventually strengthening the balance sheet of steel companies in FY 21.

Decrease in sales also impacted the operating margins of the players which decreased from 17.3% in FY 19 to 14.2% in FY 20 but operating margins increased to 23.2% in FY 21 due to decrease in expenditures. Depreciation cost accounted for approximately 3.3% of total assets of these players in FY 20. Interest cost account for around 6.6% of the total debt in FY 20. Interest cost constitutes approximately 5.4% of gross sales in FY 20. High percentage share of depreciation and interest cost impacts the profitability of steel companies. Even though the operating profits of players is healthy, PAT margin is as low as 0.8% in FY 20 but it improved to 7.4% in FY 20.
Steel player's paid-up equity has increased from INR 137.2 bn in FY 18 to INR 147.2 bn in FY 20 as these players raised equity to shore up the balance sheets. The net-worth of the players increased from INR 1.7 tn in FY 18 to INR 2.0 tn in FY 20. With the increase in equity, the total debt of these key players has also increased from INR 2.5 tn in

FY 18 to INR 3.0 tn in FY 20. The debt-equity ratio of the players has increased from 1.4 in FY 19 to 1.5 in FY 20. As steel business is capital intensive and major investment goes into building physical assets, gross block account for approximately 83.2% of total assets.

Indian steelmakers are likely to report better earnings and capacity utilisation levels in the coming quarters of FY 22 owing to increasing steel prices.

Demand is expected to increase in the second half of FY 22 following a revival in the construction and real estate sectors. With the gradual lifting of lockdowns/mobility restrictions in India in June 2021 and improving vaccination coverage, IRR expects domestic demand to recover in the coming months. IRR expects the demand in the auto sector to rise in the festival season in the second half of FY 22.

SWOT analysis of the steel industry

Strength

- The steel sector is one of the key focus areas from policy point of view with direct and indirect linkages to multiple industries like building and construction, infrastructure, automobile, etc. are dependent on steel industry and robust demand in these industries drive the growth of steel industry.
- As of FY 21, India is the world's second-largest producer of crude steel up from 8^{th} spot in 2003.
- Easy availability of low-cost manpower and presence of abundant iron ore reserves make India competitive in the global set up. India is home to fifth-highest reserves of iron ore in the world.
- Policy support like National Steel Policy (NSP) 2017, introduction of steel scrap recycling policy to reduce import, export duty of 30.0% levied on iron ore (lumps and fines) to ensure supply to domestic steel industry, increase in import duty and imposition of measures including anti-dumping and safeguard duties on iron and steel items further strengthen the industry.
- Strategies like capacity expansion, expansion through brownfield investments as steel sector is going through a phase of consolidation are contributing for the robust industry.

Weakness

- The making of steel involves complex metallurgical processes and technological expertise of the highest degree, thus leading to major raw material supply challenges on consistent basis.
- An uncertain economic environment, coupled with continued trade tensions, slowdown in global manufacturing notably auto sector and intensifying geopolitical issues have always weighed on investment and trade in steel sector. Subdued demand and oversupply lead to decline in capacity utilization and adversely affect the industry.
- Steel players are exposed to stringent laws and regulations in the areas of environment, trade measures, competition and taxes, among others.
- The steel industry is capital intensive and maintenance of critical equipment is vital. Conventional maintenance practices may be inadequate towards maintenance of critical, obsolete/ageing equipment and fire in confined spaces and beyond, leading to unplanned interruptions of operational processes.
- Steel is a highly resource intensive sector and is predominantly dependent on two raw materials – iron ore and coal. Steel industry depends on coking coal for iron making and thermal coal for captive power generation. While thermal coal is produced in India, coking coal is mostly imported due to availability of poor-quality domestic coking coal as the domestically available coal has high ash content with low calorific value. Import leads to high cost and volatility in coal availability impacting the profitability of steel players.
- The availability of iron ore remained a concern in the State of Karnataka due to closure of Donimalai mines, during CY19, there were a few hiccups at a global level also such as the Vale dam disruption which led to a sudden spike in global iron ore prices.
- There is substantial volatility in coal prices and exchange rate which impact the profitability of the steel industry.
- Dependence of mines upon private sand leases where supply is irregular, delay in extension of lease period by Government, changes in mining policies

Opportunity

- Government's NSP 2017 has set up a roadmap of the growth trajectory of the Indian steel industry until FY 31. As per the policy, India's steel production capacity expected to surpass 300 MT per annum by FY 31. At

85% capacity utilisation, crude steel production is projected to touch 255 MT by FY 31. Finished steel production to reach 230 MT with a conversion ratio of 90.0% assuming a yield loss of 10%. Domestic steel consumption to achieve 206 MT by FY 31 with a net export of 24 MT. The per capital steel consumption is expected to increase from 74.6 kg in FY 20 to 160.0 kg in FY 31.

- With steel production rising to 250 MnT, the industry's steel scrap requirement is expected to rise to 70-80 MT leading to an additional requirement of 700 scrap processing centres and 2800-3000 collections and dismantling centres across India
- As per IBEF, consumption of steel by India's infrastructure segment is expected to increase to 11.0% by FY 26. The steel demand from the automotive sector is also expected to increase due to rise in the demand for automobiles. Along with this, the Smart Cities' Affordable Housing and industrial corridors, Atmanirbhar Bharat Abhiyan, 100.0% FDI (via automatic route) support to MSMEs, encouraging indigenise production, upgradation of infrastructure and attracting private sector investment are a few Government initiatives which will boost the steel industry. About 158 lakh MT of steel are likely to be consumed in the construction of houses sanctioned under the Pradhan Mantri Awas Yojana (Urban). Various opportunities from other sectors like capital goods, oil and gas, power and progress in rural India eventually provide immense opportunity to the sector.
- The likely export rebate cuts to be introduced by the Chinese Government is likely to insulate India from cheap Chinese exports. Along with this, India continues to benefit from China's ban on the import of Australian coal, which has caused the excess Australian coking coal supply to weigh on the prices. China's domestic coking coal prices are significantly higher and further contributing towards higher international steel prices than the price at which Australian Coking Coal is imported by India and puts Indian steel producers at a cost advantage.

Threats

- Key measures like anti-dumping duty protection for several HR and CR products are proving inadequate to protect domestic players from imports. Free-trade agreements with countries which are top import sources are leading to exemption from import duties.
- There is tremendous amount of uncertainty for the recovery path from COVID-19 crisis. The Covid-induced near halt in economic activities has resulted in demand-side issues for all the major sectors, including the steel industry which can lead to pressure on steel spreads.
- The industry is witnessing consolidation of players, which has led to investment by entities from other sectors. The ongoing consolidation also presents an opportunity to global players to enter the Indian market.
- Protectionism leading to increasingly regionalised steel markets in the long term and continued slowdown in major economies around the world.
- Cheap import of steel.

Competition Scenario

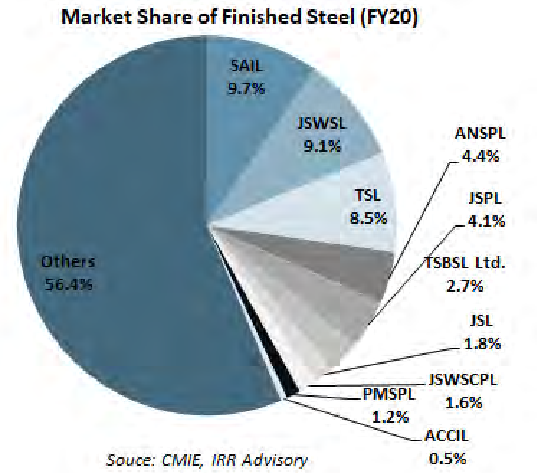
There has been major consolidation within the flat products segment. The top six players have gradually increased their overall market share in flat steel segment to 55.0% in FY 20 (2015 – 49.0%; 2010 – 45.0%) through consolidation via stressed assets acquisition and gradual capacity expansion. Conversely, these same six players have a market share of only 35.0% in FY 20 (2015 – 21.0%; 2010 – 26.0%) within the long products segment and there is scope for an increase. However, it is unlikely to increase to the same levels as that of the current flat market share due to the large number of smaller players within the long products market.

As per CMIE data, there are more than 1,200 companies in India in finished steel industry. Steel Authority of India Ltd. (SAIL) is the market leader in the finished steel industry with market share of 9.7% in FY 20. The market share of other companies is J S W Steel Ltd. (JSWSL) (9.1%), Tata Steel Ltd. (TSL) (8.5%), ArcelorMittal Nippon Steel India Ltd. (ANSPL) (4.4%), Jindal Steel & Power Ltd. (JSPL) (4.1%), Tata Steel B S L Ltd. (TSBSL) (2.7%), Jindal Stainless Ltd. (JSL) (1.8%), J S W Steel Coated Products Ltd. (JSWSCPL) (1.6%), Posco Maharashtra Steel Pvt. Ltd. (PMSPL) (1.2%) and Asian Colour Coated Ispat Ltd. (ACCIL) (0.5%). These top 10 players account for 43.6% of the total market share of finished steel industry. Top 5 players account for 35.8% of the total market share of finished steel industry.

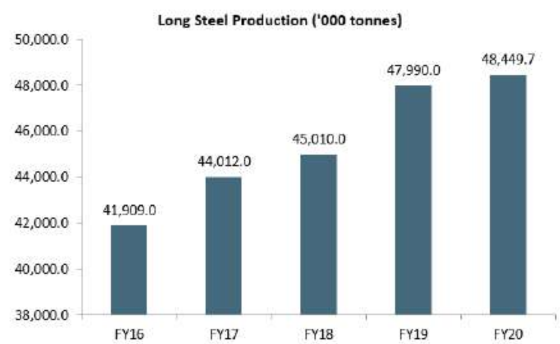
Competition in Long steel market

The long and special steel products industry is moderately fragmented, and business is characterised by way of competition from a number of domestic steel producers in India. Further, the quality expectations of customers and end-users creates a high barrier for entry into this industry.

Within the domestic long steel product consumption, bars and rods account for majority share of around 83.0% in FY 21. The market for bars and rods is highly unorganized, characterised by the presence of large number of secondary steel producers having a strong regional presence. There are more than 1,000 rolling units in FY 20 who are dependent on billet manufacturer. Approximately 23.0% of overall re-rolling capacity are situated in East with North and West housing around 52.0% of the overall re-rolling capacity. The rest of re-rolling capacity is situated in Southern India. This is majorly due to more integrated long steel players being present in East.



Souce: CMIE, IRR Advisory



Source: CMIE, IRR Advisory

Source: Company Annual Reports, IRR Advisory
Note: TSL, SAIL, JSW, JSPL and RINL are large players (on the basis of market share) while the rest of companies are small players

Competition in Sponge iron market

The sponge iron manufacturing industry is highly fragmented, and the company competes against a number of marginal players having low production capacities. While most of the sponge iron manufacturers have integrated manufacturing facility and primarily focus on steel making, they also sell sponge iron in the market on an intermittent basis.

India was the second largest sponge iron producer in the world in FY 20. Sponge iron industry is fragmented with around 278 units with an operational capacity of approximately 48.0 MTPA operating in FY 21. These units had a gross production of around 34.2 MTPA in FY 21 leading to utilization level of around 71.3%. The total capacity as well as number of units have decreased from FY 18 to FY 21 because the industry currently has surplus sponge iron capacity. According to Sponge Iron Manufacturers Association, the industry operated at just 41.0% of the capacity in FY 19.

Leading players in sponge iron is given below:

Player	Sponge Iron Capacity (FY 21)
ArcelorMittal Nippon Steel India	7.83 MnT + 1.7 MnT Corex
JSPL	3.1 MnT
JSW	1.6 MnT + 1.7 MnT Corex
Shyam Metallics	1.4 MnT
Prakash Industries	1.2 MnT
SBPIL	0.61 MnT
Liberty Steel	0.5 MnT
Godawari Power and Ispat Ltd.	0.495 MnT
Jai Balaji	0.445 MnT
Tata Steel Long Products	0.4 MnT
Sarda Energy & Minerals	0.36 MnT
MSP Steel and Power Limited	0.308 MnT

Source: Companies website, IRR Advisory

Coal based sponge iron constitutes for around 80.0% of India's sponge iron production. Orissa is the leading sponge iron producing state in India with 26.3% of the total capacity of the country. Orissa followed by Chhattisgarh are the key sponge iron producing states. Big players like AMNS India, JSPL, JSW and TSL have seven sponge iron units with a capacity of around 14.0 MTPA. Secondary players have around 271 units with the total capacity of around 34.2 MTPA in FY 21. The western region has major share of approximately 45.0% of India's sponge iron capacity followed by eastern region with 42.0% and rest being of southern region.

The Government has promoted incentivising coal gasification and liquefaction through rebate in revenue sharing. Incentivising coal gasification is a bold step for the sponge iron industry which generally encounters cut-throat competition from the cheap scrap import. Manufacturing sponge iron through coal gasification trims the cost of production by 10-15.0% as compared to using coal as feedstock. Coal can also be converted into Syngas which are used for manufacturing petrol, diesel and other petroleum products thereby reducing India's dependency on crude oil imports. Globally, sponge iron manufacturers prefer syngas over dearer natural gas. Further, Syngas is used as a reductant in converting iron ore and iron pellets into DRI or sponge iron.

Competition in Billets market

Indian steel companies have approximately 30.0 MTPA of billet capacity. The top 7 players account for 5.557 MTPA total capacity of billets and around 1/5th of the total capacity of the country.

Player	Billets Capacity (FY 21)
Vedanta Electrosteels Steel Ltd.*	1.5 MnT
Prakash Industries Ltd.	1.25 MnT
Shyam Metalics	0.892 MnT
GPIL	0.4 MnT
MSP Power and Steel Ltd.	0.315 MnT
SBIPL	0.26 MnT
SEML	0.2 MnT

Source: Companies website, IRR Advisory

Note: Vedanta Electrosteels Steel Ltd. displayed integrated capacity.

Competition in Pellets market

Indian steel companies have approximately 85.0 MTPA of pellet capacity which operates at around 84.8% of total utilization. Companies are utilizing their existing capacity to produce pellets but with increase in demand, there is capital expenditure requirement from steel players over the next 2 years.

Key players in pellet industry are given below. These player accounts for 60.7% of total pellet production in India.

Player	Pellets Capacity (FY 21)
AM/NS India	14.0 MnT
JSW Steel Ltd.	14.0 MnT

JSPL	9.0 MnT
Tata Steel	6.0 MnT
Kudremukh Iron Ore Company Ltd.	3.5 MnT
Shyam Metalics	2.4 MnT
GPIL	2.1 MnT
SBPIL	1.4 MnT
SEML	0.6 MnT

Source: Companies Website, IRR Advisory

Key Success and Risk factors

Having backward integration in the form of captive iron ore mine, coal mine, pellet plant, captive power plant, etc. provides steel companies with various cost benefits. Benefits include access to integrated iron ore and coal mine reducing cost of running the business as well as stability as far as continuous raw material supply is concerned. With a view to reduce its dependence on expensive lump iron ore, companies decide to set up pellet plants and coke oven plant to bridge the current and expected gaps in the coke availability. Such projects are expected to provide significant cost savings. The steel companies having their own pellet plant enables sourcing of iron ore in the form of fines which are more abundantly available as against lumps. Along with this, pellets also display high cold crushing strength, porosity and high strength. Palletisation is also technically considered more superior product to sinter which is easy to transport.

Steel companies having captive power plant not only ensures more regular and uninterrupted power supply but also helps in reducing power and fuel cost providing competitive advantage. While grid power usually cost approximately between INR 5.0 to 7.0 per unit, a captive power plant reduces the cost substantially to around INR 2.5/unit. Steel companies having railway siding helps in optimising logistics and associated cost involved in procuring raw material as well as dispatching finished goods. Steel companies focus on enriching the product mix with additional downstream capacity which help them with more options for customers and provide competitive advantage in the market.

Backward integration and raw material security are key components of steel companies' future strategy. This backward integration would secure critical raw materials for direct use at its facilities, that would help protect the company from variations in raw material prices. Steel companies are focusing on raw material security and bidding for mines in the respective state of their operations, thus iron ore requirements at steel making operations in the state can be met from the company's captive mines in the state. Having their own iron ore mines provides iron ore security providing efficiency in business operations in the form of reduced cost and high profitability. Mines provide access to high quality reserves and an advantage of consistency in grade which can bring operational efficiency in steelmaking. Further, there is an opportunity to invest in best-in-class infrastructure facilities, to optimise cost of transporting iron ore from the mines to the company's steel mills. The structural reduction in logistics cost will strengthen the company's ability to preserve margins through the cycle.

Forward integration

Steel companies that are forward integrated are efficient and earn better operational and financial performance. For example, a company that is already present up to billet production level and have extended presence to TMT or finished steel level ensures lower cost (provided there is no need to re-heat the billet). Additionally, value added products helps in better realizations and EBITDA/ton.

Access to target markets

Since long-steel cannot be transported over long distances as it would be economically unviable, the target market is limited to 250 to 350 km around plant location. Strategic location of plant can help in increasing the market reach and optimization of logistics costs. Along with this, having a presence in high-growth market may help companies to achieve faster growth and offset the rising competition.

Financial Strength

The pandemic and subsequent lockdown has resulted in stress to the small and medium size long steel players. While the finished product prices have increased since Q3 FY 21, the rising raw material prices specifically of iron ore and issues related to its availability due to logistics challenges had added to the woes of small and medium size companies.

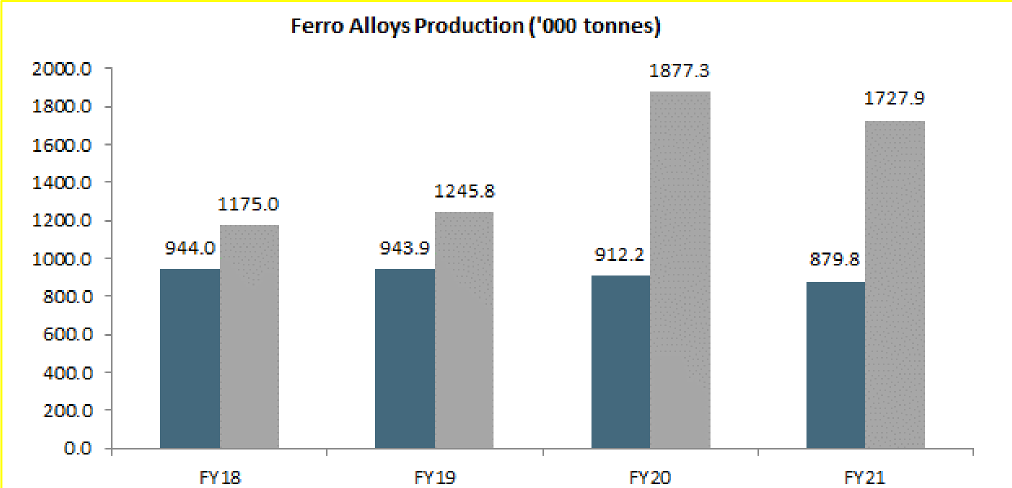
In relation to sponge iron, the sponge iron industry is incurring net losses for the last 6 years. The standalone sponge iron companies have weak credit profile. The debt-servicing ratios have been deteriorated over the past few years due to decrease in profitability and incurred losses. Lower realisations along with high raw material cost have severely impacted the profitability of sponge iron companies. Gross contribution narrowed to INR 4,056 per tonne in FY 20 due to 18.0% fall in sponge iron prices. Though small fall in iron ore and thermal coal prices provided some relief to the companies, rising iron ore cost on supply issues will limit rise in spreads. With domestic iron ore prices expected to rise even further next financial year on demand-supply mismatch spreads might further narrow.

Ferro Alloys Market Assessment

Ferro alloys are high value-added products usually used for manufacturing of mild steel and special steel. Ferro alloys are produced in sub-merged arc furnaces using electro-thermic process. The main raw materials are manganese ore, fluxes like dolomite and quartz and reductants like coke, charcoal and coal. Ore which is in metallic oxide form is smelted in the furnace. The reduction reactions are endothermic and necessary heat is supplied by captive electricity through graphite electrodes in the centre of the furnace. The electricity passing through the electrode to the metal creates arc which smelts the metal forming ferro alloys of desired quality.

The major demand of ferro alloys comes from steel making where it is used as an additive for the purpose of either de-oxidation or to impart special mechanical properties to steel. The requirement of ferro alloys varies depending upon the process of steel making ad type of steel produced. Ferro alloys constitute around 1.0% of total raw materials used for steelmaking but are important as it gives special engineering properties like hardness, corrosion resistance, tensile strength, abrasion resistance, etc. The growth of the ferro alloy industry depends upon steel and stainless-steel industries.

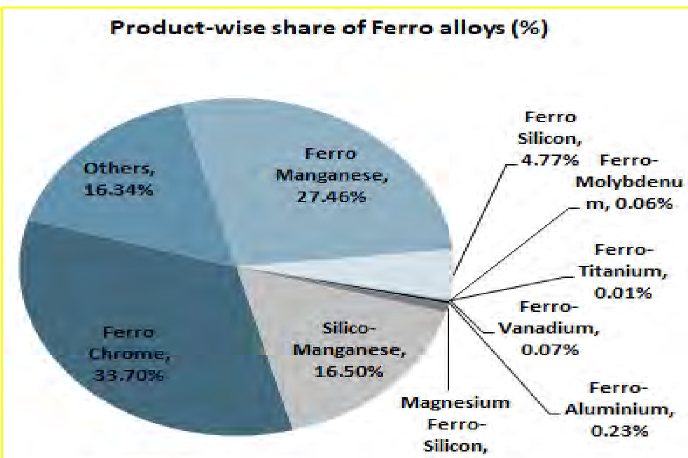
Domestic demand growth of ferro alloy has grown with the CAGR of 7.2% from 2,119.0 thousand tonnes in FY 18 to 2,607.7 thousand tonnes in FY 21. This was led by growth in stainless steel production which constitute more than two third of chrome alloy demand.



Source: CMIE, IRR Advisory

Ferrochrome share in total ferro alloy segment was 44.5% in FY 18 which decreased to 33.7% in FY 21.

Ferro Chrome accounts for 33.7% share of total product share of ferro alloys followed by Ferro Manganese (27.5%), Silico-Manganese (16.50%), Ferro Silicon (4.8%), Magnesium Ferro-Silicon (0.9%), Ferro-Aluminium (0.23%), Ferro-Vanadium (0.07%), Ferro-Molybdenum (0.06%) and Ferro-Titanium (0.01%).



Souce: CMIE, IRR Advisory

Majority of the ferro chrome alloys are used in stainless steel production which has average chrome content is 16% to 18%. Ferro chrome are also to manufacture carbon steel and special alloy steel.

Manganese alloys are used in the steel-making process to increase its toughness and reduce its malleability. These alloys are used in varying proportions in manufacturing almost all types of steel. The average consumption of manganese alloy is 7 to 10 kg per tonne of steel produced. Manganese alloys are further categorized into Ferro manganese and Silico manganese. Ferro manganese helps in lowering the melting point of steel. Silico manganese is used as a de-oxidant, sulphide former and alloying element in the steel industry and in the production of other manganese alloys.

Ferro chrome, Ferro manganese and Silico manganese together account for 77.7% of the total production of ferro alloys. The 2nd wave impacting the economic activity adversely again, automakers and steelmakers are both imposing temporary production cuts, with negative implications for ferro-alloys demand.

The rising cost of power in South Africa and China has improved the competitiveness of Indian producers. Ferro alloy is a power intensive industry. Owing to high cost of power, Ferro-alloys industry has not been operating to its full capacity in India. Ferro-alloys Industry spends 40.0 to 70.0% production cost on power. Since the demand for Ferro-alloys is likely to grow along with steel production in the country, the industry is expected to set up larger units to achieve economies of scale.

India's' total capacity today is 3.2 MT of Manganese alloys, 2.5 MT of Ferro-silicon, 1.69 MT of chrome alloys, and 5,000 tonnes of noble ferro-alloys. At present, major portion of the Ferro-alloys produced is exported. The major Ferro-alloys producing countries are China, South Africa, India, Russia and Kazakhstan.

Basic price of Ferro alloys in Mumbai market is given below:

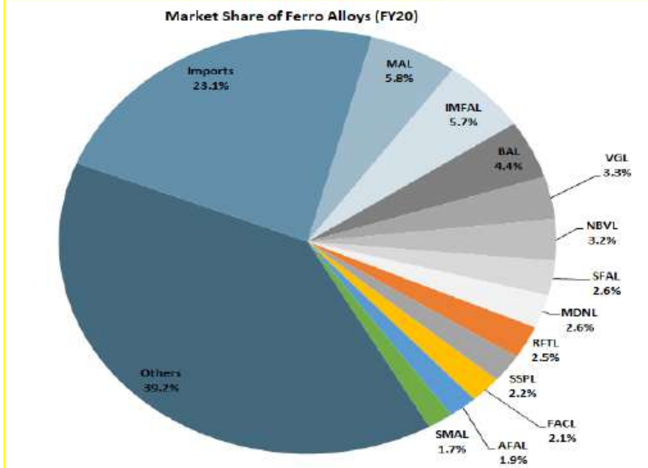
Ferro alloys (INR/Kg)	FY17	FY18	FY19	FY20	FY21	CAGR - (FY17-FY21)
Ferro Molybdenum	804.0	992.5	1,314.3	1,240.3	1,156.1	9.5%
Nitrated Ferro chromium	324.2	322.1	326.4	309.2	290.5	-2.7%
Ferro Silicon (70.0-75.0%)	72.6	95.0	99.7	83.1	103.3	9.2%
Ferro Born	257.1	197.5	199.8	191.0	192.8	-6.9%
Ferro Manganese HC	74.4	88.6	86.5	79.3	78.2	1.3%
Ferro Managanese MC	98.9	105.5	105.5	104.6	100.5	0.4%
Ferro Phosphosrous	31.3	30.2	9.0	31.4	36.9	4.2%
Ferro Silico Zirconium	240.0	210.2	208.3	191.9	202.6	-4.1%
Ferro Titanium (30.0-35.0%)	151.2	151.6	178.5	167.0	174.9	3.7%
Ferro Titanium (70.0-75.0%)	219.7	218.7	289.9	273.7	268.6	5.2%
Ferro chromium (60.0%) low carbon	196.3	185.1	204.9	164.7	164.1	-4.4%
Ferro chromium (75.0%) low carbon	-	235.5	234.3	227.9	200.6	-5.2%
Ferro chromium (60.0-65.0%) High carbon	97.7	103.0	102.9	91.5	93.9	-1.0%
Ferro Tungsten (70.0%)	1,662.8	1,652.2	1,841.9	1,964.8	1,912.5	3.6%
Ferro Vanadium (50.0%)	753.5	1,399.7	3,037.3	1,397.8	1,179.6	11.9%
Ferro Silico Magnesium	152.0	144.9	150.8	152.9	172.7	3.2%

Source: CMIE, IRR Advisory

The initial response of the ferro alloys industry to Covid 19 outbreak was marked by rising prices primarily in response to supply-side concerns. As Chinese activity returned to normal levels quickly as compared to rest of the world, for alloys with a strong Chinese production presence, prices were seen decreasing as supply concerns disappear.

International ferrochrome prices declined in FY 20 due to weak demand in China along with global oversupply. Domestic prices followed a similar trend due to low demand. Prices are going to rise due to severe chrome ore supply challenges. Approximately two third of the chrome ore producing mines got re-auctioned in March 2020 and were not operational in Q1 FY 21. Monsoon further worsen the situation causing limited availability of chrome ore in the domestic market. Odisha Mining Corporation which is the largest producer of chrome ore in India did not conduct any chrome ore auctions since May 2020 as the mining operations got negatively affected by the Covid 19 pandemic.

As far as Manganese alloy are concerned, prices decreased due to falling demand as both global and domestic crude steel production fell due to weak demand amid spread of Covid 19. Global manganese ore prices decrease due to oversupply situation is expected to further weigh on the alloy prices.



Souce: CMIE, IRR Advisory

Note: MAL: Maithan Alloys Ltd., IMFAL: Indian Metals & Ferro Alloys Ltd., BAL: Balasore Alloys Ltd., VGL: Vadana Global Ltd., NBVL: Nava Bharat Ventures Ltd., SFAL: Shyam Ferro Alloys Ltd., MDNL: Mishra Dhatu Nigm Ltd., RFTL: Rohit Ferro-Tech Ltd., SSPL: Shyam Sel & Power Ltd., FACL: Ferro Alloys Corporation Ltd., AFAL; Anjaney Ferro Alloys Ltd., SMAL: Sarda Metals & Alloys Ltd.

The Indian ferro alloy industry is highly fragmented where top 2 players in chrome alloy segment account for more than 1/3rd market share whereas top 2 players in manganese alloy account is mere 5.0% to 6.0%. Ferro alloy's operations are raw material intensive, therefore, any fluctuation in raw material prices affects the profitability of the industry. Along with this, demand for ferro alloys is dependent on steel and stainless-steel industries which is comparatively consolidated industry and has high bargaining power.

The market share of top 12 players in Ferro alloy segment is MAL (5.8%), IMFAL (5.7%), BAL (4.4%), VGL (3.3%), NBVL (3.2%), SFAL (2.6%), MDNL (2.6%), RFTL (2.5%), SSPL (2.2%), FACL (2.1%), AFAL (1.9%) and SMAL (1.7%). The import constitutes around 23.1% of the total market while rest of the small companies consist of 39.2% of the total market share.

State-Wise Ferro alloys investment trends is given below:

Particulars	During FY21								At the end of FY21			
	New projects announced		Projects completed		Projects dropped		Projects revived		Projects outstanding		Projects under implementation	
	Cost	Count	Cost	Count	Cost	Count	Cost	Count	Cost	Count	Cost	Count
	INR mn	No.	INR mn	No.	INR mn	No.	INR mn	No.	INR mn	No.	INR mn	No.
India	**17,440.1**	**15**	**2,191.3**	**3**	**7,445.10**	**4**	**-**	**-**	**62,161.90**	**52**	**18,882.70**	**15**
Andhra Pradesh	20.0	1	1,991.3	2	1,300.00	1	-	-	10,714.10	12	6,853.40	6
Chhattisgarh	1,395.0	2	200.0	1	4,000.00	1	-	-	3,609.80	5	1,954.80	1
Jharkhand	1,945.1	4	-	-	-	-	-	-	3,285.10	6	-	-
Maharashtra	270.0	1	-	-	-	-	-	-	3,848.60	3	3,578.60	2
Odisha	2,430.0	1	-	-	1,852.80	1	-	-	19,631.80	10	5,263.40	3
Telangana	7,230.0	2	-	-	-	-	-	-	7,982.00	4	172	1
West Bengal	4,150.0	4	-	-	292.3	1	-	-	10,452.30	11	1,060.50	2

Source: CMIE, IRR Advisory

Count refers to the number of projects for which cost details are available

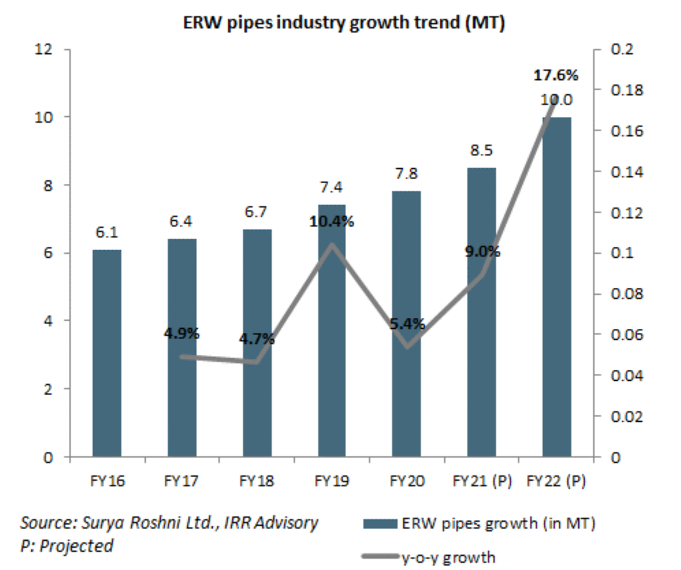
The total number of 15 projects worth INR 17.4 bn were announced during FY 21 in India. Out of all the states, Telangana accounts for 41.5% of these projects amounting to INR 7.2 bn. West Bengal (INR 4.2 bn) and Orissa (INR 2.4 bn) were in 2nd and 3rd position respectively where projects were announced during FY 21. Total number of 3 projects worth INR 2.2 bn were completed during FY 21. 4 projects worth INR 7.4 bn were dropped during the year. The total number of 52 projects worth INR 62.2 bn is currently outstanding while 15 projects amounting to INR 18.9 bn is under implementation at the end of FY 21. Out of the total projects outstanding amounting to INR 62.2 bn, the states with majority of ferro alloy projects are Orissa (31.6%), Andhra Pradesh (17.2%), West Bengal (16.8%) and Telangana (12.8%). These 4 states account for 78.4% of the total projects which are outstanding while the rest of 21.6% belongs to Chhattisgarh (5.8%), Jharkhand (5.3%) and Maharashtra (6.2%).

ERW Pipes Market Assessment

Steel pipes are used in various industries like oil & gas, petrochemicals, power, water supply and sanitation, irrigation and construction. They are majorly used to move liquids and gases and find increased usage in residential, commercial and industrial construction. India is the 3rd largest manufacturing hub of steel pipes in the world after Europe and

Japan.

Steel pipes constitute 8.0%-10.0% of the steel consumption. The global steel pipe market is estimated to be INR 6.67 tn and is expected to grow by 4.0% CAGR over the next 3 years.



Source: Surya Roshni Ltd., IRR Advisory
P: Projected

The Indian steel pipe market is estimated to be INR 500.0-550.0 bn (8.0% of the domestic steel consumption) and is 8.0-9.0% of the global steel pipe market. The industry including products like SAW, ERW Pipes, Galvanised Pipes, Steel Sections and Steel Panels, has witnessed a CAGR of 6-7.0% over the period FY 16-FY 20. These pipes are also exported to countries like the US, Europe, Malaysia, Thailand, the Middle East, and Indonesia. 50.0% of the market in terms of value consists of ERW pipe and the other 50.0% is the Stainless steel and Submerged Arc Weld (SAW) pipes. In terms of volume, 70.0% are ERW pipes and 30.0% are Stainless steel and SAW pipes.

The domestic ERW Steel Pipes industry demand is expected to touch 10 MT by 2022 with an approximate market size of around INR 600.0 bn. This demand will be largely driven by water transportation, oil & gas, fire-fighting, construction, infrastructure and furniture segment, among others.

The pipe industry is also classified on the basis of the end user industry that it caters to like oil & gas and non-oil & gas. In the oil & gas space, pipes are used for exploration and production (E&P) and transportation. HSAW, LSAW, ERW and Seamless pipes are used in oil & gas.

ERW pipes are 0.5 inches to 22 inches in diameter and the key raw material used to manufacture it is HR coils and are sourced locally. It is majorly used in low pressure applications in oil & gas, structural, irrigation, water sewage, water distribution, airports, malls, metros, fabrication, windmills and solar plants. They are extensively used in agriculture, industry and construction activities like scaffolding and casing in bore wells. These are used for conveying water, gas, crude oil and chemicals at various pressures and densities over long distances.

ERW is the fastest growing segment in the carbon steel pipe space. India is the leading ERW manufacturing hub and the domestic market for ERW pipes is 8-10 million tonnes. ERW pipe market has grown by 6.3% over the period FY 16-FY 20 and it is expected that the market will be the fastest growing segment in the steel pipe industry with the growth rate of 8.0-10.0% over the next few years. The major reason for the growth of the segment is its application in various industries. Leading companies are taking initiatives for bringing new products and innovating their existing product lines which is helping them in improving operational efficiency and reducing raw material cost to the tune of 3.0-10.0%.

Revenues of market leaders in ERW pipe segment has shown double digit growth over the period FY 16-FY 20. Players work on very thin margins in ERW pipe business as realizations are lower. Majority of the companies in the segment are regularly incurring capital expenditure. A positive thing is that companies are not depending upon heavy debt to expand capacities. Going ahead, the environment is going to be tough due to the pandemic, however since all companies have manageable debt, they are well prepared to challenges ahead.

Growth Drivers

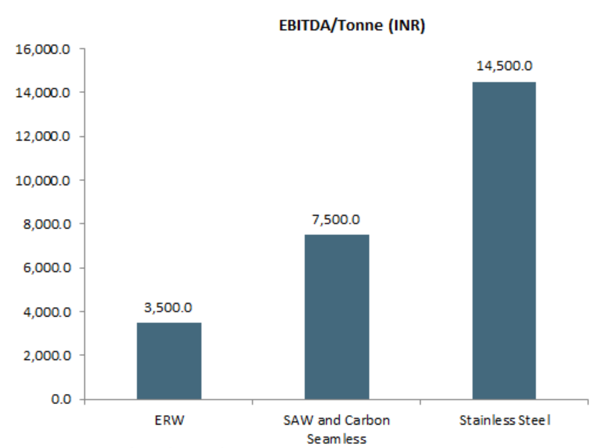
Water Demand

India houses 16.0% of the world's population, 15.0% of the world's livestock but only 4.0% of the world's water resources. The water scarcity in India is expected to worsen as water demand is projected to double from the available supply due to rising population, excessive groundwater pumping and inefficient water management system. Government's initiatives like 'Jal Shakti Abhiyaan' scheme aims at providing piped water to every household by 2024, up from 18.0% at present. The ambitious project aims to add 150 million households across 0.5 million+ villages over the next five years. The Government is also interlinking 60 rivers through reservoirs and canals, which will lead to an increase in irrigation land by about 15.0%. This will necessitate an increase in the pipe demand from the rural and agriculture sector.

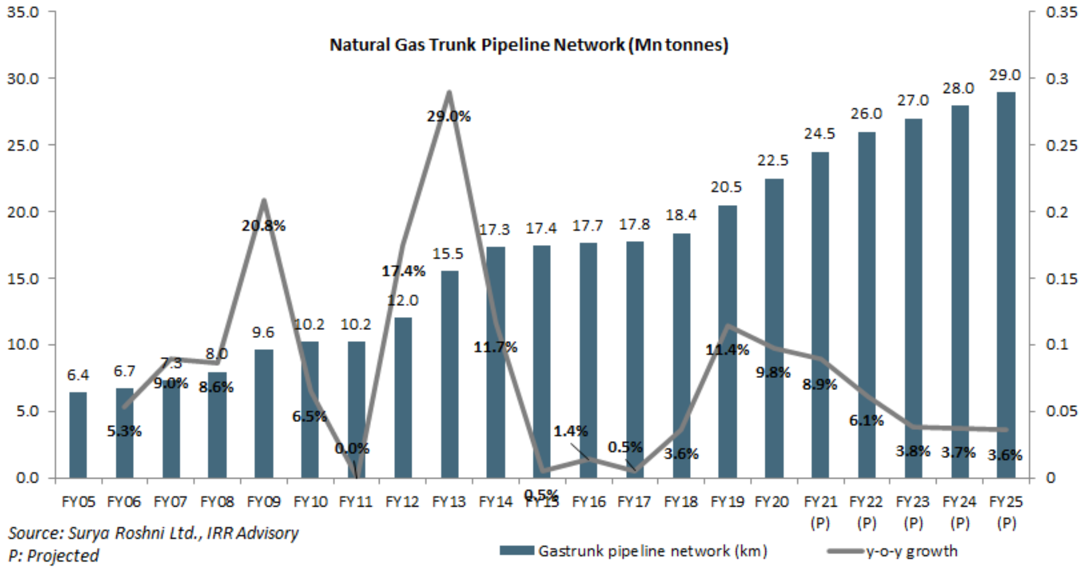
Oil & Gas

The steel pipes market looks promising with its entailing demand from the oil exploration industry. India is the 3rd largest energy consumer globally and its primary energy demand is expected to increase threefold by 2035 to 1,516 MT of oil. To meet this demand, the Indian oil & gas industry is undergoing capacity and production expansion drive. Along with this, few of the Indian the oil & gas transmission pipelines have already outlived their economic lives of 30 years. This has brought along a pressing need to replace at least 1/10th of these pipelines.

The share of natural gas in India's total energy basket stands at 6.2% against the global average of about 24.0%. To fill this gap, the Government promoted investor-friendly exploration regime and gave a strong push to increase the City Gas Distribution (CGD) networks across the country and has planned investments worth INR 4.45 tn for developing natural gas supply and distribution infrastructure. It has also announced to increase its national gas trunk pipeline network from the current 18,000 km to 29,000 km over the next 5-7 years.



Source: Capital Mind, IRR Advisory
Note: The figures are average of the range of the segment



CGD contributes around 17.6% of the total natural gas consumption in India. As of January 2020, 5.5 mn domestic households were connected with the piped gas in the country. The city gas projects in 232 geographical areas covering more than 400 districts, across states and union territories, are underway and expected to cover over 70.0% of population. It will necessitate building up of 1,60,000 km of gas pipeline across India.

Pipe Demand Outlook

Pipe demand has been sluggish in the H2 FY 21, led by Covid 19 induced disruptions and increasing Hot Rolled Coil (HRC) prices which were not entirely absorbed by the end user industry. However, pipe prices are likely to reduce in FY 22 in tandem with likely correction of domestic HRC prices. IRR Advisory expects a healthy demand, supported by the GoI's push towards infrastructure investments and capex pick-up at oil and gas companies. In made-to order segments, large players have strong order book visibility in FY 22, led by a rising demand. Construction contractors have been placing only urgent orders and holding orders amid peaking prices over H2 FY 21. IRR Advisory expects likely price corrections and increased urgency on project execution would boost up FY 22 order book volumes for steel pipes and tubes. The frontloading of the investments under the National Infrastructure Pipeline could support incremental demand push. In H1 FY 21, pipe manufacturers increased exports during periods amid weak domestic consumption. However, the profitability will gradually improve over FY 22 with improved pricing on new orders and the likelihood of iron ore and steel prices moderating over FY 22.

Peer Comparison on key operating parameters

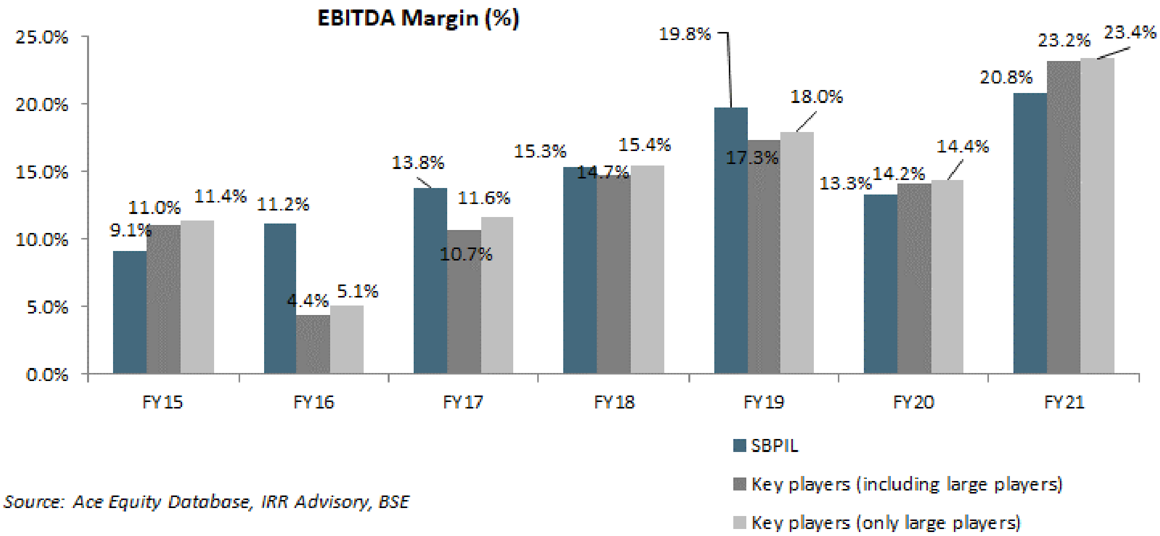
Company	Business geographical locations	Product portfolio
JSW Steel Ltd.	Karnataka, Maharashtra and Tamil Nadu in domestic market, Baytown and Ohio in USA, Piombino in Italy	HR, CR, Colour Coated products, Galvanised, Galvalume, Neosteel TMT Bars, Wire Rods, Special steel
Tata Steel Ltd.	Jharkhand and Orissa in domestic market, United Kingdom, Netherlands in Europe and Thailand, Singapore in South-East region	TMT bars, Structures, CR, GC, Precision Tubes, Pipes, Ferro Alloy, Automotive steel
Steel Authority of India	Chhattisgarh, West Bengal, Orissa, Jharkhand, Karnataka and Tamil Nadu	TMT Bars, Rods, Rebars, Bars and wire rods, Cold Rolled, Pipes, Electrical steel, Galvanised products, Hot Rolled, Plates, Railway products, Structurals, Alloy steel, Pig iron, Semis
Jindal Steel and Power Ltd.	Chhattisgarh, Jharkhand and Orissa	Rails, Beams and colums, plates and coils, angels, and channels, TMT rebars, Wire rods, Sponge iron, Semis

Company	Business geographical locations	Product portfolio
Kalyani Steels Ltd.	Karnataka	Alloy special steel, Rolled Bars, Rounds for seamless tubes
Godawari Power & Ispat Limited	Chhattisgarh	Pellets, Sponge iron, Billets, Silico Manganese, Wires
MSP Power & Steel Ltd.	Chhattisgarh	TMT bars, Billets (Semis), Sponge iron, Pellets
Prakash Industries Ltd.	Chhattisgarh	Sponge iron, Ferro alloys, Billets, and blooms, Wire rods, TMT and Structurals
Sarda Energy & Minerals Ltd.	Chhattisgarh	Sponge iron, Billets, Iron pipes, Hot and Cold products of steel
Vedanta Electroseel Steels Ltd.	Jharkhand	Pig iron, TMT bars, Billets, Iron pipes, Hot and Cold products of steel
Shyam Metalics	West Bengal and Orissa	Pellets, Sponge iron, Billets, TMT Bars, Structural, Wire-rods, Ferro alloys

Source: Companies website

Financial Profile and comparison with peers on key financial parameters

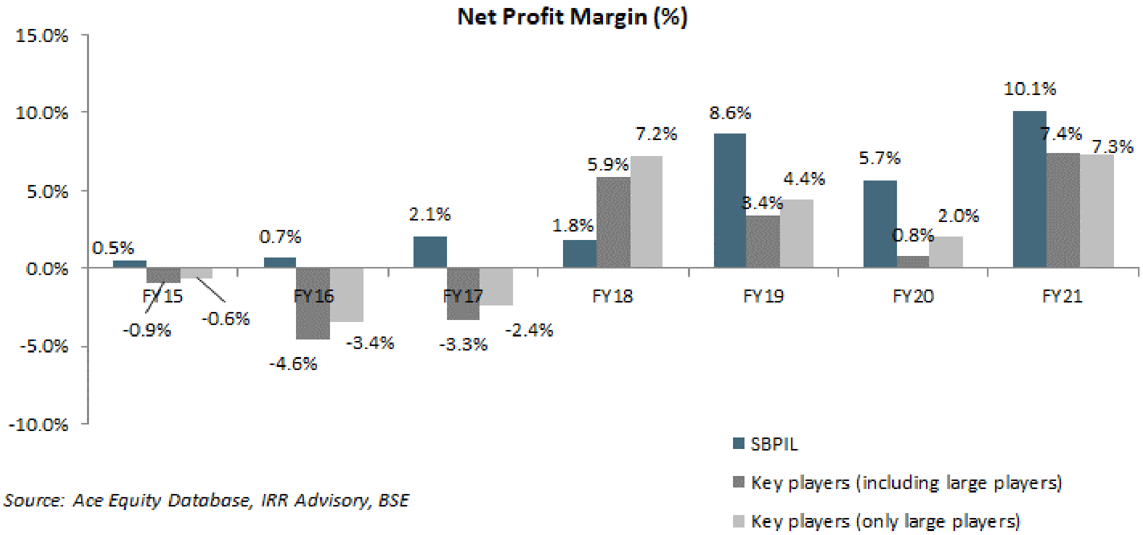
SBPIL has relatively robust financial strength as compared to other large companies and the performance has improved substantially over the years as compared to these players.



Source: Ace Equity Database, IRR Advisory, BSE

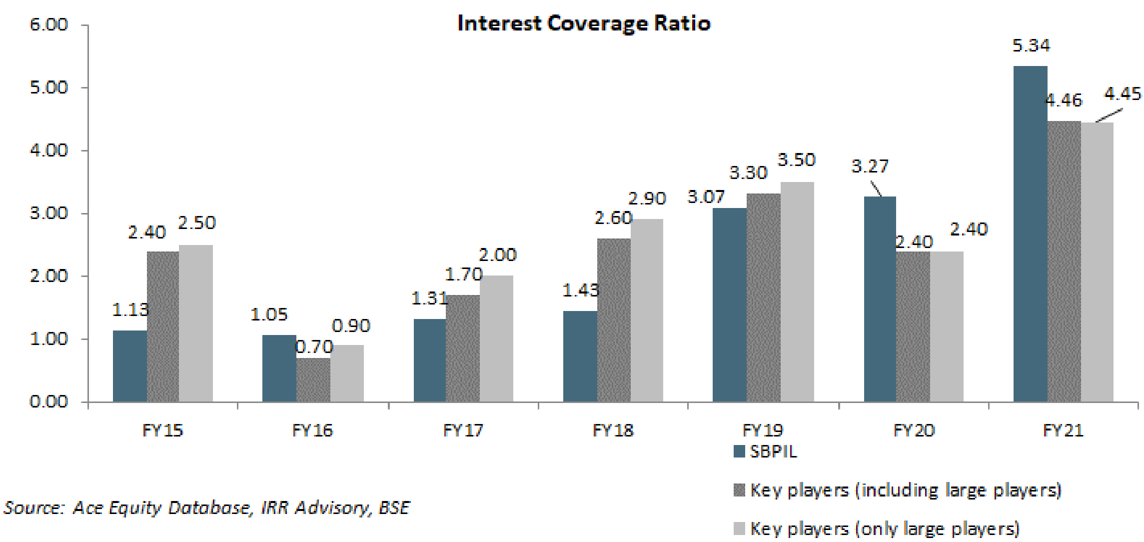
Note: Key players (including large players) include Godawari Power & Ispat Ltd., Jindal Steel & Power Ltd., JSW Ispat Special Products Ltd., JSW Steel Ltd., Kalyani Steels Ltd., MSP Steel & Power Ltd., Rashtriya Ispat Nigam Ltd., Shyam Metalics & Energy Ltd., Steel Authority of India Ltd., Sarda Energy & Minerals Ltd., Prakash Industries Ltd. and Tata Steel Ltd. Key players (only large players) include Jindal Steel & Power Ltd., JSW Steel Ltd., Steel Authority of India Ltd. and Tata Steel Ltd.

The EBITDA margin of SBPIL has improved from 9.1% in FY 15 to 20.8% in FY 21 which is at par with other players. SBPIL has been able to show stable performance as compared to other industry players because in FY 16, when top players displayed EBITDA margin of as low as 4.3% and 5.1%, SBPIL has EBITDA margin of 11.2%.



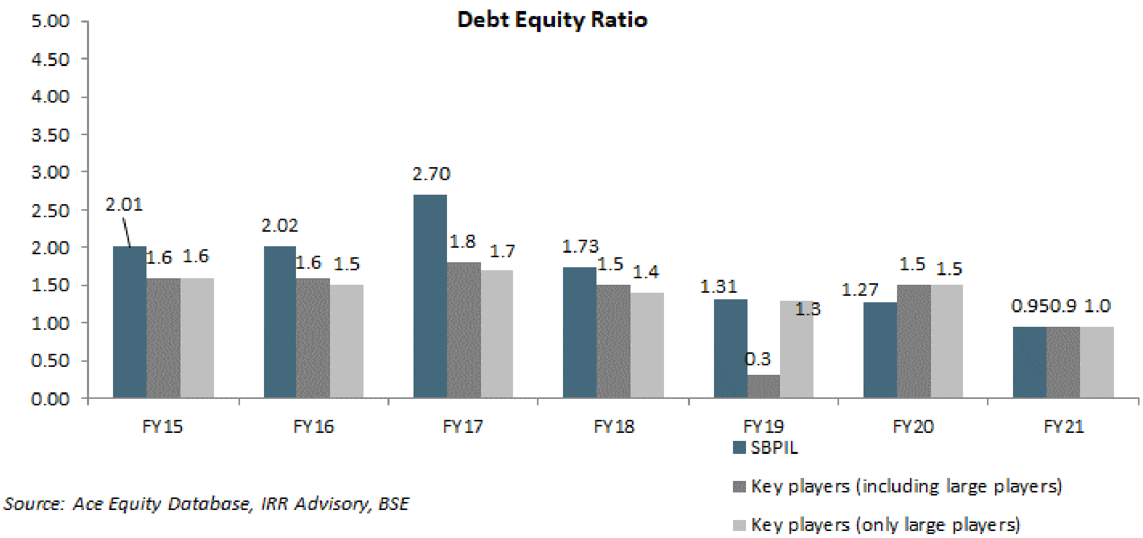
Source: Ace Equity Database, IRR Advisory, BSE

With improvement in operating margins, net margins of SBPIL have fared better than both the sets in recent years. As compared to key players who has faced net losses in FY 15, FY 16 and FY 17, SBPIL was profitable during the period, however, net profitability was low for the company. The net profitability increased to 10.1% in FY 21 as compared to 8.6% in FY 19 but it was in better position as compared to key players.



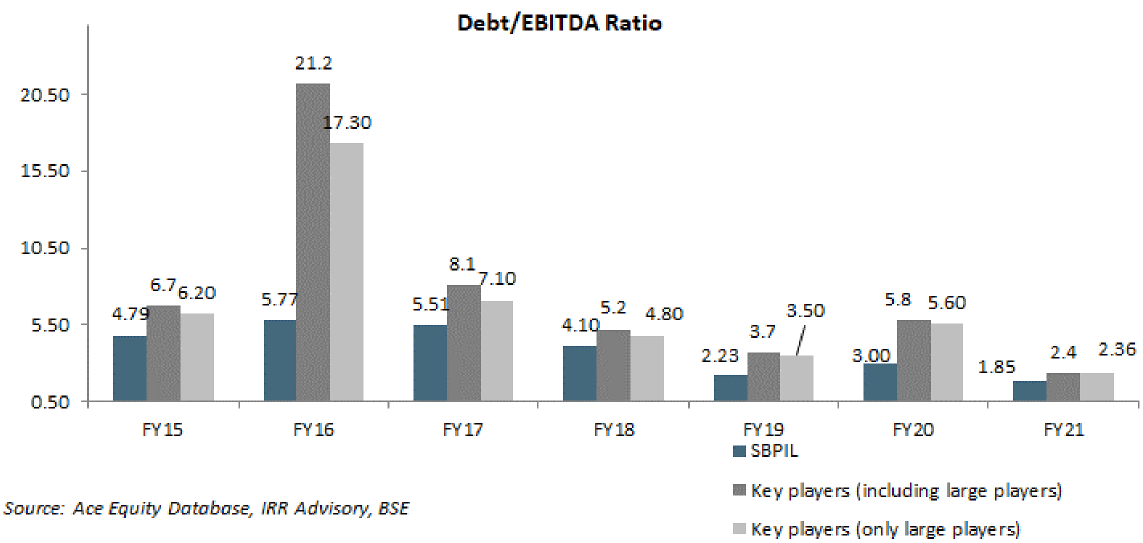
Source: Ace Equity Database, IRR Advisory, BSE

SBPIL's interest coverage was low as compared to other players till FY 18 but the company focused on improving it consistently and then it increased substantially to 5.3 in FY 21. In FY 21, the interest coverage ratio of SBPIL was better than other key players.



Source: Ace Equity Database, IRR Advisory, BSE

SBPIL was highly leveraged as compared to other key players if we look at the data set for the period FY 15-FY 18 but eventually equity funding of the company increased in FY 20 and debt equity decreased to 1.27 in FY 20. It further decreased to 0.95 in FY 21 which shows healthy capital structure of the company.



Source: Ace Equity Database, IRR Advisory, BSE

The Debt/EBITDA ratio of SBPIL is low as compared to other players which point towards low leverage of the company. Even in FY 16, when low profitability impacted debt/EBITDA of large players, SBPIL displayed the ratio of 5.77 which is way lower than the large players. Over the years, it has decreased to 3.0 in FY 20 which is way lower than other players. In FY 21, it decreased to 1.85 which displays the robust financial profile of SBPIL

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategies, contains forward looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" on page 17 for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" on page 25 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that year. Unless otherwise indicated or as context requires otherwise, the financial information included herein is derived from our Restated Financial Information, which are included in "Financial Statements" on page 230.

Unless the context otherwise requires, in this section, references to "we", "us", or "our" refers to Shri Bajrang Power and Ispat Limited on a consolidated basis and references to "the Company" or "our Company" refers to Shri Bajrang Power and Ispat Limited on a standalone basis.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report "Overview of Steel Sector in India" dated June 24, 2021 prepared and issued by IRR Advisory Services Private Limited. For further information, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation" on page 14.

Overview

Shri Bajrang Power and Ispat Limited ("**SBPIL**") has emerged as one of the leading integrated steel companies based out of central India and is one of the top 10 players in India in terms of capacity for iron ore pellets, iron ore beneficiation and sponge iron. *(source: IRR Report)* We utilize our captive iron mine with an approval to mine 1.2 MTPA and manganese ore mines to manufacture intermediate and long steel products, such as, TMT Bars, ERW pipes manufactured through tubular section mill ("**ERW Pipes**"), wire rods, HB wires including binding wires, ferro alloys, steel billets, iron pellets and sponge iron. We have a consistent track record of delivering operating profitability, and since Fiscal 2005, we have remained profitable in each of the Fiscal.

We currently operate three manufacturing units ("**Units**") which are strategically located in Raipur, capital of the mineral rich state of Chhattisgarh, which has abundant reserves of iron ore, iron ore fines and coal mines, our primary raw material sources. We believe that the strategic location of our Units lowers our transportation costs and provides significant logistics and operational efficiencies. As of May 31, 2021, the aggregate saleable metal capacity of our Units was 1.76 million metric tonne per annum (**"MTPA"**) (comprising of intermediate and final products). Further, we are in the process of expanding our capacity for sponge iron, steel melting, rolling mill, ferro alloys, captive power and setting up a galvanising plant, which is expected to be completed within Fiscal 2022 ("**Brown Field Expansion**"). Our Company, through its subsidiary SBSCL, intends to set-up a steel unit along with related infrastructure and had already entered into an MoU on December 15, 2020 (**"MoU"**). However, it has made an application dated June 29, 2021 to Government of Chhattisgarh to amend the MoU and the scope of the project will be dependent on government approval for the proposed amendment and our decision to implement the MoU. Further, our Company intends to set up a 50MW solar power plant at Raipur. The proposed expansion and the solar project are hereinafter referred to as "**Green Field Expansion**".

As on May 31, 2021, we also have captive power capacity of 83 MW at our Units including 50 MW from waste heat recovery, which allows us to utilize our waste heat from manufacturing into electricity generation, minimize our carbon footprint while simultaneously reducing our power and fuel costs. In Fiscals 2021, 2020 and 2019, power units produced from our captive power plants accounted for 98.77%, 99.06% and 93.90% respectively, of our total power units consumed. Our Company has received 12th Encon Awards, 2019 and 10th Encon Awards, 2017 (Second Runner Up) in the large-scale category for energy conservation from Confederation of Indian Industry. Further, our subsidiary, IAHEPL has an installed hydro-power capacity of 36 MW at District Chamba, Himachal Pradesh.

In an effort to enhance our backward integration, increase raw material security, and enhance our profitability, we have secured exclusive mining rights, in connection with an iron ore mine located at Uttar Bastar Kanker, Chhattisgarh wherein we are permitted to mine 1.2 MTPA. We also have exclusive mining rights in connection with an open-cast manganese ore mine located at Vizianagaram, Andhra Pradesh wherein we are permitted to mine 13,114 metric tonne per annum ("**TPA**"). For coal, we have secured coal linkages with South Eastern Coalfields Limited, a subsidiary of Coal India Limited, for annual supply of 6.03 MTPA on the basis of multiple fuel supply agreements. Further, as on May 31, 2021, our installed capacity of iron-ore beneficiation and pelletisation units was 2.0 MTPA and 1.4 MTPA, respectively, which helps us use lower grade iron-ore lumps and fines to take advantage of the pricing differential between lower grade and higher-grade iron ore fines. Access to integrated iron ore and manganese ore mines, provides benefits of reducing cost of running the business as well as stability as far as continuous raw material supply is concerned.

Our Units are well connected by national and state highways and railways which enable us to transport the raw materials and products in a cost and time effective manner. We also have captive mechanised railway siding which helps us in optimising our logistics cost and reduces transit time for raw materials and finished products.

Our TMT Bars, ERW Pipes and HB wires, are sold under the brands ‘ ’, ‘ ’ and ‘ ’ respectively and we have incurred advertising and publicity expenses of ₹714.28 million over the last three Fiscals to further establish our brands in their respective categories. Revenues from sale of TMT Bars, ERW Pipes and HB Wires has been the pre-dominant revenue stream for our Company and contributes ₹13,675.98million, ₹11,615.63 million and ₹12,989.18 million for Fiscals 2021, 2020 and 2019, respectively aggregating to 45.12%, 43.61% and 48.37% of our total revenue from operation for the same period.

We cater primarily to the infrastructure and construction industry in India, especially across the central and western regions of India through 11 distributors with a network of 514 dealers. Our customer base during the Fiscal 2021 was spread across 22 states and union territories. During Fiscals 2021, 2020 and 2019 our total revenue from operations from Chhattisgarh, Madhya Pradesh and Maharashtra was ₹22,256.20 million, ₹22,523.74 million and ₹22,892.50 million, respectively and accounted for 73.42%, 84.56% and 85.25% respectively for the same period. Our customer portfolio comprises two major segments which are institutional customers and retail customers. As part of our institutional customer portfolio, we sell our products to institutional customers ("**Institutional Customers**") that are spread across various segments including roadways, thermal and hydel power, railways, metro rails, military engineering services, airports and real estates. Our key Institutional Customers include Dilip Buildcon Limited, Mehrotra Buildcon Private Limited, Gayatri Projects Limited, Jhajharia Nirman Limited, Modern Road Makers Private Limited and Sadbhav Engineering Limited. We also derive a portion of revenues from exports to various countries and our revenues from exports for Fiscals 2021, 2020 and 2019 was ₹3,272.78 million, ₹1,454.20 million and ₹122.11 million, respectively and accounted for 10.80%, 5.46% and 0.45%, respectively, of our revenue from operations in such periods.

As part of our retail customer portfolio, we typically sell TMT Bars, ERW Pipes and HB wires through our distribution network to individual buyers including individual house builders and contractors ("**Retail Customers**"). We believe that our key differentiators in the retail segment are our established track record of delivering quality products, strong brand identity and a well-established distribution network.

Our Company is led by our Individual Promoters, namely Suresh Goel, Rajendra Goel, Narendra Goel, and Anand Goel each having more than three decades of hands-on experience in steel industry, supported by an experienced and professional management team. Further, certain family members of our Individual Promoters are actively involved in managing the day-to-day affairs of our Company. We believe that the collective experience and capabilities of our Individual Promoters and management team enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. As of May 31, 2021, we had a workforce of 4,134 personnel comprised 3,532 permanent employees and 602 contract employees for our operations.

We have obtained and maintain, a number of quality and environment management system certificates, including ISO 9001:2015 and ISO 14001:2015 for Unit II and ISO: 45001:2018 for Unit I and II. Our Company has received various awards such as ‘Sustainable Energy Development Award in 2016’, ‘Energy Efficiency Award 2016’ and ‘Energy

Efficiency Award 2015'. Our Company has also received 'Gold Certificate - Secondary Steel Sector Award 2016 – 2017' from Ministry of Steel, Government of India in the composite category of TMT Bars /Wire rods products under DRI-EAF/EIF-RM process route. Our Unit II received recognition from the Ministry of Steel, Government of India, and the United Nations Development Programme Global Environmental Finance Unit, in 2013, for 'removal of barriers to energy efficiency improvement in steel re-rolling mill sector in India' and for being a 'model unit for energy efficiency interventions'.

Some of our key financial parameters as per Restated Financial Statements are set forth below:

(₹ in million)

Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
Total Revenues	30,643.32	26,788.21	26,996.20
EBITDA	6,290.71	3,965.48	5,322.20
EBITDA Margin as % of Revenue from Total Revenues	20.53%	14.80%	19.71%
Total Comprehensive Income for the year ('**TCI**')	2,995.98	1,404.81	2,373.26
TCI Margin as % of Revenue from total income	9.78%	5.24%	8.79%
Net Debt*	12,207.07	11,997.99	11,641.42
Total Equity	11,549.21	8,425.37	6,967.80

** Net debt has been defined as Long Term Debt plus Short Term Debt plus currents maturities of Long Term Debt minus cash and cash equivalents and bank balance other than cash and cash equivalents. Please refer Non-GAAP measures in Other Financial Information on page 231 for further details.*

Our Strengths:

One of the leading integrated steel companies based out of central India

We have emerged as one of the leading integrated steel companies based out of central India. Our Company is also one of the top 10 players in India in terms of capacity for iron ore pellets, iron ore beneficiation and sponge iron *(source: IRR Report)*. We primarily produce intermediate and long steel products across the value chain with a diversified products portfolio focused on the infrastructure and construction industry in India. We currently operate three Units which are strategically located in Raipur, capital of the mineral rich state of Chhattisgarh, which has abundant reserves of iron ore, iron ore fines and coal mines, our primary raw material sources.

We have been allotted exclusive mining rights, in connection with an iron ore mine located at Uttar Bastar Kanker, Chhattisgarh wherein we are permitted to mine 1.2 MTPA. We also have exclusive mining rights in connection with an open-cast manganese ore mine located at Vizianagaram, Andhra Pradesh wherein we are permitted to mine 13,114 TPA. For coal, we have secured coal linkages with South Eastern Coalfields Limited, subsidiary of Coal India Limited for annual supply of 6.03 MTPA on the basis of multiple fuel supply agreements. We have also entered into an agreement with one of our Individual Promoter for purchase of dolomite and our Company has approval for drawing up to 6.90 million cubic meter water per annum across our Units. Further, as on May 31, 2021, our installed capacity of iron-ore beneficiation and pelletisation units was 2.0 MTPA and 1.4 MTPA, which helps us use lower grade iron-ore lumps and fines to take advantage of the pricing differential between lower grade and higher-grade iron ore fines. As on May 31, 2021, we also have captive power capacity of 83 MW at our Units, which allows us to utilize our waste heat from manufacturing process electricity generation. We also have captive mechanised railway siding which helps us in optimising our logistics cost and reduces transit time for raw materials and finished products.

Our focus on value added products viz. TMT Bars, ERW Pipes, wire rods and HB Wires vis-à-vis sale of pellets or billets helps us capture larger portion of value chain. Details of our capacity across our Units is as follows:

Sr. No.	Plant	Unit	Present	Brown Field expansion	Post Brown Field Expansion
1.	Iron Ore Beneficiation Plant	TPA	2,000,000	-	2,000,000
2.	Pellet Plant with Coal Gasifier	TPA	1,400,000	-	1,400,000
3.	Sponge Iron	TPA	610,000	200,000	810,000
4.	WHRB Power Plant	MW	50	16	66

Sr. No.	Plant	Unit	Present	Brown Field expansion	Post Brown Field Expansion
5.	Bio Mass Power Plant	MW	8	-	8
6.	Coal Base Power Plant	MW	16	-	16
7.	AFBC Power Plant (Combustor)	MW	9	-	9
8.	Steel Melting Shop	TPA	235,200	1,31,600	3,66,800
9.	Rolling Mill (Direct Charging)	TPA	179,500	1,40,000	3,19,500
10.	Rolling Mill with Coal Gasifier	TPA	150,000	60,000	210,000
11.	Ferro Alloys	TPA	32,400	23,400	55,800
12.	Fly Ash Bricks Plant	Numbers per annum	40,000,000	-	40,000,000
13.	Wire Drawing Mill	TPA	125,000	-	125,000
14.	ERW Pipe	TPA	250,000	-	250,000
15.	Fly Ash Bricks	TPA	72,000	-	72,000
16.	Iron Ore Washery	TPA	-	400,000	400,000
17.	Coal Washery	TPA	600,000	-	600,000
18.	Refining Furnace	TPA	105,600	-	105,600
19.	Oxygen Plant	TPD	16	-	16
20.	Galvanizing Plant	TPA	-	100,000	100,000

Source: certificate from Agrawal & Associates, Chartered Engineer dated July 9, 2021 with license number AM086382/6

Continued availability of power at our Units is supported by our captive power plants, some of which generate power utilizing the waste heat emanating from our kilns during our manufacturing process. As on May 31, 2021, Unit I has 8MW of captive power capacity using rice-husk as a feedstock and 18MW of captive power facility utilizing the waste heat emanating from our kilns during our manufacturing process. As on May 31, 2021, Unit III also has 32MW of captive power facility utilizing the waste heat emanating from our kilns during our manufacturing process. This non-conventional source of 'green' power through waste heat recovery boilers enables us to shift our dependence on thermal power using additional fossil fuel which helps control our carbon emissions. As at May 31, 2021, our captive power plants had an aggregate power generation capacity of 83 MW and IAHEPL has an installed capacity of 36MW. Our own captive power plants not only ensure more regular and uninterrupted power supply but also helps us in reducing power and fuel cost providing competitive advantage.

We believe that our integrated operations have provided us with the flexibility to alter our product mix to cater to the continuously evolving market conditions, improves our ability to manage price volatility and optimise our operating margins. Our access to raw materials, ability to manufacture intermediate as well as finished long steel products and captive power helps us to capture large part of value chain for long steel products. Our integrated operations have provided us an ability to convert the iron pellets into sponge iron or sell the iron pellets or sponge iron independently in the market. Sponge iron can either be used to manufacture billets, which can thereafter be processed to manufacture TMT Bars and wire rods, or can be sold independently in the market. Such integration also helps us to maintain control of the supply chain, lower our costs of operations and sell our products at competitive prices.

Strategically located Units with robust infrastructure helps achieve cost optimization

Steelmaking is a highly raw material and logistics intensive business, with one tonne of steel requiring the movement of approximately four tonnes of raw materials. In Fiscals 2021, 2020 and 2019, the cost of materials consumed (including changes in inventories, stock-in trade and work in progress) were ₹18,682.09 million, ₹18,391.22 million and ₹17,829.87 million, respectively and accounted for 60.97%, 68.65% and 66.05%, of our total revenues for the same period. Iron ore and coal are the two most critical steel making ingredients, and proximity to iron ore and/or coal mines give considerable competitive advantage to a steel player due to lower logistics costs for raw material procurement. Given this cost dynamics, our Units are strategically located in Raipur, capital of the mineral rich state of Chhattisgarh, which has abundant reserves of iron ore, iron ore fines and coal mines, our primary raw material sources. Among the States, Chhattisgarh recorded the second highest production of 34.94 million tonnes of iron ore, i.e., about 16.92% of the country's total production in 2018-19 *(source: Indian Minerals Yearbook 2019).* Chhattisgarh being rich in minerals, steel players in the region have per tonne logistics costs 50.0% to 90.0% lower as compared to other steel plants in southern states. Production of varied metals such as iron ore, tin and limestone in a single location also makes Chhattisgarh an ideal location for different final products such as iron and steel, cement and electronic components (*source: IRR Report*). In light of the foregoing, the location of our Units provides us with an opportunity to have a convenient and continuous supply of iron ore, with relatively low transportation costs. We have been allotted exclusive mining rights, in connection with an iron ore mine located at Uttar Bastar Kanker, Chhattisgarh at approximately less than 250 kms from our Units wherein we are permitted to mine 1.2 MTPA. For coal, we have secured coal linkages with South Eastern Coalfields Limited, subsidiary of Coal India Limited for annual supply of 6.03 million MT on the basis of multiple fuel supply agreements.

Further, due to the voluminous nature of our products, transportation cost is a critical aspect. Our Units are well connected by national and state highways and railways which enable us to transport the raw materials and products in a cost and time effective manner. We also have captive mechanised railway siding which helps us in optimising our logistics cost and reduce transit time for raw materials and finished products. Our core markets of central and western India are expected to witness significant construction activity driven by various schemes of the Government of India including Pradhan Mantri Awas Yojana - Urban and Gramin, Make In India, Pradhan Mantri Ujjwala Yojana, National Solar Mission, UDAN (airports), irrigation (PMKSY), National Gas Grid, Sagarmala, DFC's, Bharatmala and AMRUT and Clean Ganga Mission.

We have implemented robust systems and practices to monitor, control and improve our operational processes. We believe that our commitment towards achieving growth through process-oriented systems is reflected in the fact that we have received, and currently hold, a number of prestigious quality and environment management system certificates, including ISO 9001:2015 and ISO 14001:2015 for Unit II and ISO: 45001:2018 for Unit I and II. For our Unit II, we received recognition from the Ministry of Steel, Government of India, and the United Nations Development Programme Global Environmental Finance Unit, ("**UNDP-GEF**") in 2014 for: (1) 'Removal of Barriers to Energy Efficiency Improvement in Steel Re-rolling Mill Sector in India'; and, (2) being a 'Model Unit For Energy Efficiency Interventions'.

We endeavour to be innovative in the steel manufacturing sector and have relied on process re-design and re-engineering to reduce the time and cost involved in our manufacturing operations. One such initiative has been the adoption of direct rolling process in Unit I and Unit II for manufacturing of re-rolled products. Direct rolling process is a technical evolution of hot charging, where continuous cast billet is directly pushed to the rolling mill, without the need of an intermediate process of re-heating. This process eliminates the need for re-heating the ingots/ billets and results in savings in fuel as well as emission of greenhouse gases. *(source: http://www.in.undp.org/content/dam/india/docs/EnE/0-34-321_BOOK_WEB.PDF).*

Our other initiatives and infrastructure including captive iron ore mine, captive power generation capacity, captive source of water, private railway siding, iron ore beneficiation plant which helps beneficiate low grade fines with an indicative grade of Fe 55% to usable ore with an indicative grade of Fe 62%, coal linkage with South Eastern Coalfields Limited, manufacturing of ferro alloys and use of Producer Gas (Producer Gas is fuel gas that is manufactured from material such as coal) at our Unit III helps us to manage our operations in cost efficient manner. Further, we generate most of our power needs through captive power plants and our waste heat recovery based power plants enable us to reduce our energy costs. Our waste heat recovery facilities are being expanded to reduce our dependence on non-coking coal.

Diversified product mix with strong focus on value added products and well recognized brands

Our products primarily comprise of long steel products, which range from intermediate products, such as, iron pellets, sponge iron and steel billets and final products, such as, TMT Bars, ERW Pipes, wire rods and HB wires including binding wires. We also manufacture ferro alloys both for internal consumption as well as for sale in the market.

Our TMT Bars, ERW Pipes and HB wires, are sold under the brands 'GOEL TMT', 'GOEL PIPES' and 'wire' respectively and we have incurred advertising and publicity expenses of ₹714.28 million over the last three Fiscals to further establish our brands in their respective categories. Our Company believes that our TMT Bars have gained recognition in the end user market in central India and parts of western India. The following table provides certain information in relation to the revenue obtained from our products for the periods indicated:

Product	Fiscal 2021		Fiscal 2020		Fiscal 2019	
	Revenues (₹ in million)	*As % of total revenues*	*Revenues (₹ in million)*	*As % of total revenues*	*Revenues (₹ in million)*	*As % of total revenues*
TMT Bars#	11,748.14	38.76%	10,387.44	39.00%	11,136.82	41.47%
ERW Pipes*	1,004.19	3.31%	-	0.00%	-	0.00%
Wire Rods and HB wires	923.66	3.05%	1,228.19	4.61%	1,852.37	6.90%
Steel billets**	20.55	0.07%	39.12	0.15%	135.45	0.50%
Iron ore pellets	5,272.64	17.39%	3,560.12	13.37%	4,707.65	17.53%
Sponge Iron	6,086.67	20.08%	6,057.68	22.74%	4,855.79	18.08%
Ferro Alloys	503.06	1.66%	724.35	2.72%	952.40	3.55%

** Commissioned in the Fiscal 2021; ** Our Company sells steel billets depending on market conditions and spreads prevailing in the markets; # includes M.S. Rounds*

We have a diverse customer base comprising of individual house builders, contractors, governmental authorities, and industrial and institutional customers in a range of industries including roadways, thermal and hydel power, railways, metro rails, military engineering services, airports and real estates. We have been consistently investing in various branding initiatives, such as advertisements in electronic media, outdoor branding, digital media and print media. We have also adopted strategies such as dealer point branding to ensure maximum visibility and awareness. The advertisement and publicity expense during the Fiscals 2021, 2020 and 2019 was ₹273.49 million, ₹211.87 million and ₹228.93 million, respectively and as a percentage of total income during such periods was 0.89%, 0.79% and 0.85%, respectively for the same period. We believe that recognition of our brands is a result of years of investment in various branding and related ancillary activities.

Established market presence and relationships with channel partners supported by large distribution network:

We have established strong customer relations during our 15 years of operations and we believe that our extensive history, market position, and quality products have led to wide recognition of our brands, particularly in the central and western regions of India, which has enabled us to effectively target new customers and customer segments, address new business opportunities and increase the scale of our operations. Our top 10 customers contributed revenues of ₹8,655.13 million, ₹5,998.04 million and ₹4,996.84 million for the Fiscals 2021, 2020 and 2019, respectively and accounted for 28.55%, 22.52% and 18.61%, respectively of our revenues from operations for the same period.

Our Company manages the channel and retail business through distributors, who in turn manage a network of dealers. For details of the geographies in which our Company sells the products, see "*Our Business – Sales, Distribution and Marketing*" on page 169. As of May 31, 2021, we had a network of 11 distributors and 514 dealers. Further, we have been able to develop long-standing relationships with our institutional customers, including large infrastructure and real estate companies, such as Dilip Buildcon Limited, Mehrotra Buildcon Private Limited, Gayatri Projects Limited, Jhajharia Nirman Limited, Modern Road Makers Private Limited and Sadbhav Engineering Limited. Our customer base during the Fiscal 2021 was spread across 22 states and union territories. During Fiscals 2021, 2020 and 2019 our total revenue from operations from Chhattisgarh, Madhya Pradesh and Maharashtra was ₹22,256.20 million, ₹22,523.74 million and ₹22,892.50 million, respectively and accounted for 73.42%, 84.56% and 85.25% respectively for the same period.

We also derive a portion of revenues from export to various countries and our revenues from exports for Fiscals 2021, 2020 and 2019 was ₹3,272.78 million, ₹1,454.20 million and ₹122.11 million, respectively and accounted for 10.80%, 5.46% and 0.45%, respectively, of our revenue from operations in such periods.

Our Company manages our channel partners and retail sales through a sales and marketing team of 129 employees as at May 31, 2021, who aid the distribution process and are primarily engaged in distributor/dealer relationship management, appointment of dealers and distributors, procuring orders, product promotions and collections.

Track record of growth in financial performance

We believe that our integrated production facilities, focus on maintaining high capacity utilization, operational efficiency, productivity and low operating costs are the inherent strengths of our Company, which helps us to effectively manage the cyclical trends of the steel sector. We have a consistent track record of delivering operating profitability, and since Fiscal 2005, we have remained profitable in each of the Fiscal.

Our revenue from operations in Fiscals ended 2021, 2020 and 2019, was ₹ 30,312.11 million, ₹ 26,637.12 million and₹ 26,852.32 million, respectively. In the Fiscals ended 2021, 2020 and 2019, we reported EBITDA of ₹ 6,290.71 million, ₹ 3,965.48 million and₹ 5,322.20 million, respectively. In the Fiscals ended 2021, 2020 and 2019, our return on capital employed was 22.85%, 15.74% and 24.69% respectively. Further for Fiscal 2021, 2020 and 2019, we have generated Operating Cash Flows of ₹ 2,499.85 million, ₹ 2,622.31 million and ₹ 2,216.24 million respectively. The net debt-to-equity ratio and net debt-to-EBITDA ratios of our Company as of Fiscal Year 2021 was 1.06 and 1.94 respectively and which have improved from 1.67 and 2.19 in Fiscal 2019 respectively. Our total borrowings for Fiscal 2021 largely comprises of borrowings of ₹ 8,444.75million in our Company, borrowings of ₹ 3,962.41 million and 275.11 million in our subsidiaries, IAHEPL and SB Power, respectively. For our segment wise revenue, percentage of growth in revenue compared to the previous Fiscals, percentage contribution to our revenue by our segments, for Fiscals 2021, 2020 and 2019, see "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" on page 278.

Experienced Promoters and committed senior management team

Our Company believes that it benefits from the vision, leadership, skills, experience, commitment and relationships of our Individual Promoters Suresh Goel, Executive Director and Chairman, Narendra Goel, Managing Director, Rajendra Goel, Executive Director and, Anand Goel, Executive Director, each having more than three decades of experience in manufacturing of iron and steel and related products. Further, certain family members of our Individual Promoters are actively involved in managing the day-to-day affairs of our Company.

Our success has been, and will continue to be, dependent on our senior management team. Our senior management team comprises of professionally qualified members with extensive experience and in-depth knowledge in the steel industry and regulatory environment. Our senior management team is supported by a workforce of 4,134 personnel comprised 3,532 permanent employees and 602 contract employees as on May 31, 2021. For additional details, see "*Our Management*" on page 192. The collective experience and capabilities of our Individual Promoters and management team enables us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences.

Our Strategies

Continue to enhance our production capacities through combination of brown field and green field projects

Our products are largely used in construction and infrastructure industry. Increasing population, rapid urbanisation, mobility and infrastructure requirements, government's thrust on infrastructure creation, gradual recovery in construction sector and government initiatives such as 'Make in India' are expected to boost steel demand growth. The National Steel Policy (NSP) envisages per capita steel consumption to almost double to 160 kg by 2030-31. The infrastructure sector accounts for approximately 9.0% of steel consumption and is expected to grow at annual rate of 11.0% till Fiscal 2026. The Government of India has allocated ₹ 111 trillion under the National Infrastructure Pipeline for Fiscal 2019 - 2025 with sectors such as energy (24.0%), roads (18.0%), urban (17.0%) and railways (12.0%) accounting for approximately 71.0% of the projected infrastructure investments in India. *(Source: IRR Report)*

We have, over the years, consistently grown our manufacturing capabilities. For example, in Fiscal 2021, we started our ERW Pipes business by setiing up a tubular section mill with a capacity of 250,000 TPA. We are in the process of expanding our existing capacity for sponge iron, steel melting, rolling mill, ferro alloys captive power and setting up a galvanising plant, which is expected to be completed within Fiscal 2022. Our Company believes that it is well positioned to out-pace the industry growth and increase our market share in segments where we operate. For details of our aggregate installed capacity, production volumes, and the capacity utilization of each of the products manufactured by our Company, for the last three years, please see "*Our Business – Capacity and Capacity Utilization*" on page 167.

Consistent with past practice, we continue to enhance our production capacity through combination of brown field and green field projects and the details of the same is as under.

Brown Field Expansion

In addition to our existing facilities at Units I, II and III, our Company plans to increase our production capacities through:

i. Setting up of an additional sponge iron plant, of 0.20 MTPA, at Unit III; which would enhance our sponge iron output from 0.61 MTPA to 0.81 MTPA;

ii. Setting up a waste heat recovery-based power plant capable of generating 16 MW at Unit III;

iii. Expanding our steel melting shop capacity from 0.24 MTPA to 0.37 MTPA across our Unit I and Unit II;

iv. Expand our rolling mills capacity from 0.33 MTPA to 0.53 MTPA across our Unit I and Unit II;

v. Setting up iron ore washery with a capacity of 0.4 MTPA at our Unit I;

vi. Setting up of galvanising plant with a capacity of 0.1 MTPA at Unit III;

vii. Setting up of ferro alloys unit with AOD converter with a capacity of 23,400 TPA at Unit III;

The facilities above are expected to be fully commissioned during Fiscal 2022. Our Unit III has an unutilized land area of 105.615 hectares and has the necessary infrastructure facilities and also the environment clearances for setting up of our future projects which we believe should help our Company in setting up new projects with lower costs and reduced timelines.

Green Field Expansion

Our Company, through its subsidiary SBSCL, intends to set-up steel unit along with related infrastructure and had already entered into an MoU on December 15, 2020. However, it has made an application dated June 29, 2021 to Government of Chhattisgarh to amend the MoU and the scope of the project will be dependent on government approval for the proposed amendment and our decision to implement the MoU. Further, our Company intends to set up a 50MW solar power plant at Raipur.

Government of Chhattisgarh has proposed a scheme wherein qualifying industries will be entitled to various concession including reimbursement of net state GST and exemption of electricity duty and reimbursement of expenditure on water charges. We have applied to MoUs with Government of Chhattisgarh seeking inclusion for such concessions.

We believe that the increase in production capacity will increase the size of our operations, help backward integrate our ERW Pipes business, improve our economies of scale and retain our competitiveness.

Continued focus on cost optimization and improving operational efficiency

We believe that despite the standardized nature of processes in the steel manufacturing industry, we have been able to create an effective cost advantage through focus on cost optimization by investments in infrastructure, backward integration, re-engineering initiatives and operational excellence. For example, we were one of the earliest adopters of direct rolling process for manufacturing of rerolled products. This process eliminates the need for re-heating the ingots/steel billets and results in savings in fuel as well as emission of greenhouse gases.

Continued access to high-quality raw materials is crucial to our ability to produce high-quality steel and sponge iron. While we believe that our current procurement arrangements allow us to have access to high-quality raw materials at competitive prices, we intend to continue to focus on achieving raw material security by evaluating prospects that will provide us with access to high quality raw material in locations closer to our Units. To achieve raw material security, we will continue to evaluate and bid for the allocation of iron ore blocks from time to time. We believe that enhanced mining rights for iron ore blocks will help us to reduce our dependence on external sources of iron ore, reduce our exposure to changes in iron ore prices and resultantly help us in improving our profitability. We are in the process of expanding our captive power generation capacity by 16 MW which shall help us in catering to the increased power requirements of our Units. We believe that our Brown Field Expansion and Green Field Expansion will lead to further economies of scale and help us attain improved operational efficiency. In addition, we intend to continuously revaluate our processes and ecosystem to reduce costs. For example, we are undertaking capex towards improving railway siding infrastructure at our Unit III and upgradation of certain equipment's in steel melting shop and rolling mill at our Unit II.

We will continuously seek to attain operational excellence in our manufacturing process by having a control on production, ensuring premium quality of our products and consistent upgradation in our technology. The quality management system adopted by us at Unit I and II are in compliance with the requirements of ISO: 45001:2018, while Unit II has been certified to be in compliance with ISO 9001:2015 and ISO 14001:2015. We will continue to evaluate best practices in our industry and adopt the practices best suited to our Company.

Expand our network and further strengthen our key brands

We currently sell our products across 22 states and union territories through 11 distributors managing a network of 514 dealers largely focused around central and western India. During Fiscals 2021, 2020 and 2019 our total revenue from operations from Chhattisgarh, Madhya Pradesh and Maharashtra was ₹22,256.20 million, ₹22,523.74 million and ₹22,892.50 million, respectively and accounted for 73.42%, 84.56% and 85.25% respectively for the same period. We intend to expand our geographical presence from central and western India to pan India by adding new distributors with a network of more dealers.

We intend to supply TMT Bars to customers in the geographies where we do not have significant presence as on date through manufacturing tie ups, distribution and supply arrangement. For instance, in Fiscal 2021, our Company has entered into a supply agreement with third party for manufacturing of TMT Bars under our supervision and sell those products after embossing our brand in the state of Maharashtra and Karnataka. We will continue to evaluate such contract manufacturers and will continue to improve our penetration in our existing markets by enhancing our retail distribution network as well as our institutional customer network. We have developed the 'Goel TMT Mobile App', which provides timely updates to our customers on order confirmations, dispatch details, outstanding dues etc.

We believe our brands 'GOEL TMT', 'GOEL PIPES' and 'wire' enjoy recognition in their target markets and will invest in further strengthening them through increased media spends and better engagement with customers, professional customers and intermediaries. Our expenses towards advertisement and sales promotion, during the Fiscals 2021, 2020 and 2019, were ₹383.47 million, ₹270.17 million and ₹264.74 million, respectively and we intend to keep investing towards promotion of our brands. We believe that our promotional activities will be able to provide our brand awareness and capitalize on our reputation for quality, consistent performance in our existing markets and product verticals to target new consumers.

Focus on sustainable and profitable growth

According to the IRR Report, our Company's leverage is lower than the average of other companies in the sector. As of March 31, 2021, 2020 and 2019, our net debt-to-equity ratio was 1.06 times, 1.42 times and 1.67 times, respectively. Our net debt to EBITDA ratio for Fiscals 2021, 2020 and 2019, was 1.94 times, 3.03 times and 2.19 times, respectively.

We continuously seek to improve our financial profile and maintain a strong focus on sustainable growth. We intend to maintain our attention on cost optimization and maintain profitable operations across commodity cycles. Further, we are committed to achieving the optimization of financial cost supported by credit rating improvement and proactive debt management. As a part of the Objects of the Issue, we intend to repayment/pre-pay, in full or part, certain borrowings availed by our Company. For details, see "*Objects of the Issue*" on page 90. We believe that repayment/pre-payment of loan will help to reduce our outstanding indebtedness and enable utilization of our accruals for further investment in our business growth and expansion.

Further, our Company has incurred capital expenditure of ₹3,814.90 million during Fiscal 2019 to Fiscal 2021 without significantly increasing our overall debt levels. We intend to finance our Brown Field Expansion and Green Field Expansion through a combination of internal accrual and external borrowings and will strive to complete the aforementioned expansion without significantly increasing our leverage.

In addition, we believe that the strength of our balance sheet and leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

Our product portfolio:

Our primary products include: (i) TMT Bars, (ii) ERW Pipes, (iii) Wire Rods, and (iv) HB Wires including binding wires, (which are used across infrastructure and construction industry).

A brief description of our primary products portfolio, *inter alia*, are as follow:

Name of the products	Description	End use
TMT Bars	TMT Bars are high strength reinforced bars having a tough outer core and a soft inner core which makes them easily bendable.	TMT Bars demonstrate high tensile strength and ductility and have capacity to absorb sudden loads, which make them ideal for use in construction and infrastructure sector
ERW Pipes	ERW Pipes are also known as Electric Resistance Welded pipes. We manufacture ERW Pipe through a tubular section mill which makes our ERW Pipes suitable for a wide range of applications	ERW Pipes are mainly used for low/ medium pressure applications such as transportation of water and oil. ERW Pipes are also used for structural purpose, water wells, sewage, mechanical, railway, airports and general engineering purpose.
HB Wire including binding wires	Long steel products manufactured through rolling process with a round cross-section. We produce wire rods in sizes ranging from 5mm till 10mm.	Diverse applications across industrial sector including for making springs, screws, small parts, nails etc.

Our other products include: (i) Ferro Alloys, (ii) Steel billets, (iii) Iron pellets, and (iv) Sponge Iron.

A brief description of our other products portfolio, *inter alia*, are as follow:

Name of the products	Description	End use
Ferro Alloys	Ferro alloy refers to various alloys of iron with varying proportion of one or more other elements such as silicon, manganese, aluminium etc. They are used in the production of steels and alloys. The alloys impart distinctive qualities to steel and cast iron or serve important functions during production.	Ferro alloys are used in manufacturing of Steel.
Steel billets	Molten steel is solidified into a billet by a process called continuous casting.	Steel billets are used as a raw material or feedstock in extrusion, forging, rolling and other metal processing applications.
Iron pellets	Iron pellets are a type of	Iron pellets are used as raw material

Name of the products	Description	End use
	agglomerated iron ore fines and can be used as a substitute of lump ore for the production of sponge iron and in blast furnaces for the production of hot metal.	for sponge iron and blast furnace. We sell excess iron pellets in domestic as well as overseas markets.
Sponge Iron	Sponge iron is produced through direct reduction of iron ore/ iron pellets. It is mainly used in making steel through the secondary route. The process of sponge iron making aims to remove oxygen from iron ore or pellets.	Sponge iron is used as raw material for billets.

The various processes that are adopted by our Company to manufacture its ended products, are as follows:

Manufacturing of TMT Bars, ERW Pipes, Wire rods, HB Wire, Steel billets, Iron pellets and Sponge iron:

a. Raw material procurement

The basic raw materials for our manufacturing facilities are iron ore, manganese ore, coal and dolomite. For further details of our raw material procurement rearrangements, see "*Our Business- Raw Materials*" on page 168.

b. Process for upgrading the iron ore content in iron ore, (beneficiation)

Lower grade of iron ore and smaller particles of iron ore, *("***fines***"),* need to be processed to improve its ferrous content and make it suitable for further processing. Impurities are removed from these iron ore fines, by crushing and grinding the fines, and then removing impurities, from such crushed and ground fines, by magnetic separation followed by floatation. This process is also referred to as "beneficiation". After such beneficiation, the enhanced fines are suitable to be used as raw material for pelletizing.

c. Pelletisation

For the process of pelletizing, the enhanced fines are mixed with binding agents and coal and fed to balling discs or drums to produce green pellets of size typically about 9-16mm. The green pellets are then fired in a kiln, so as to convert the fines into compact hard spheres. In order to obtain the optimal characteristics, the pellets are subjected to thermal processing, which involves three stages, namely, drying, burning, and, after-burn cooling, (in a cooling tower). The duration of each stage and the temperature that the pellets are subjected to, greatly influences the quality of the final product.

d. DRI production process

Direct reduction refers to processes which reduce iron oxides to metallic iron at temperatures below the melting point of iron. The product of such solid-state processes is called direct reduced iron or sponge iron. For the production of sponge iron, a mixture of iron ore, coal and dolomite is fired in a rotary kiln, at temperatures of approximately 850^{o} C - 1050^{o} C. The material discharged from the kiln is taken to a rotary cooler, and the cooled product is separated from by-products.

e. Steel making

Sponge iron, Ferro alloys and other ingredients are fed into, an electric arc furnace, ("**EAF**")/induction furnace ("**IF**"), which uses electrical energy to melt the sponge iron. Carbon, added as a part of the process, reacts with oxygen producing carbon dioxide which bubbles through the mixture creating foamy slag, ("**charged material**"). The charged material melts at about 1650^{o} C in the EAF/IF and thereafter refining is done by reducing impurities of steel. At the end of the refining stage slag is removed from the EAF/IF. The molten steel from the EAF/IF, is then tapped into a ladle, and taken to the continuous casting machine ("**CCM**").

Our TMT Bars are produced using refining technology called Ladle Refining Furnace (“**LFR**”) which is used to refine molten metal by removing of impurities. With help of LFR technology, we can produce high quality steel by de-sulphurising the molten metal and adjust the chemical composition of our products. LFR enables us to improve productive time for melting furnace and produce better-quality steel in a cost-efficient manner.

f. Billet formation

The liquid steel flows from the ladle into a rotary cooler, for cooling, and the cooled product, namely the billet/s, are separated from impurities. Billets coming out of the CCM are cut into required length. As part of our quality control measures, sample billets are used for chemical analysis and visual inspection.

g. Rolling mill

The hot billets from CCM are rolled into specific sizes of TMT Bars and/or HB Wire in a completely automatic rolling mill. For the production of TMT Bars, our rolling mill uses technology obtained from Thermex, which gives the TMT Bar extra strength and ductility. In this regard, our Company has been granted the License Rights to use the ‘Thermex Quenching System and Technology’, from Henninsdorfer Stahl Engineering GmBH, Germany. The Thermex process is done in the following three stages:

i. Quenching - After leaving the last rolling mill stand, the TMT Bar is passed through the Thermex cooling pipe where it is rapidly water quenched. This hardens the surface of the TMT Bar, to an optimum depth, by forming a cooled outer surface, (“Martensite”). However, the core remains hot and austenitic.

ii. Self-Tempering - When the bar leaves the quenching box, the core remains hot, as compared to the surface, allowing heat to flow from the core to the surface causing tempering of the outer Martensite layer, into a structure called “Tempered Martensite”.

iii. Atmospheric Cooling – This takes place on the cooling bed where the non-corrosive core, is transformed into ductile ferrite-pearlite structure. Thus, the final structure consists of an optimum combination of strong outer layer (Tempered Martensite) with a ductile core (Ferrite-Pearlite). This gives TMT Bar its unique combination of higher strength and ductility. Finally, the bars are handled in an automatic rake type cooling bed, and cut as per length requirements. The process of bundling and bending is also automated to ensure a clean finish.

Manufacturing of Ferro alloys

Ferro alloy is an alloy of iron, with some elements other than carbon and is used to introduce certain properties into molten metal, usually during the steel manufacturing process. Ferro alloys impart distinctive qualities to steel and cast iron, and serve important functions during iron and steel production cycles. The principal ferro alloys are those of chromium, manganese, and silicon. Chromium provides corrosion resistance to stainless steels, while manganese is essential to counteract the harmful effects of sulphur in the production of virtually all steels and cast irons. Silicon is used primarily for the deoxidisation in steel and as an alloying agent in cast iron. Our Company manufactures ferro alloys both for internal consumption as well as for sale in the market. Our Company sells Ferro alloys to the aluminium and steel manufacturing industry.

A submerged arc furnace, (“**SAF**”), is used for the production of Ferro alloys. In SAF, carbon is used as a reducing agent to reduce ore, producing Ferro alloy. In the SAF electric power heats the raw materials and provides the energy to reduce the ore to a metallic state.

Our Facilities

The following map illustrates the locations of our manufacturing Units and sources raw products:

Note: The above map is not to scale and not intended to mean political map of the India.

Details of our manufacturing Units are as follows:

Unit I:

Commissioned in 2005, Unit I is located at Borjhara, Raipur and manufactures TMT Bars, Ferro alloys, steel billets, sponge iron and fly ash bricks.

Our Unit I comprises of the following facilities: (a) a sponge iron manufacturing facility; (b) a fly ash brick production facility; (c) a steel melting facility; (d) ferro alloy manufacturing facility; and (e) a TMT Bars manufacturing facility.

The Unit is supported by in-house captive power generating facilities with an installed capacity of 18MW from waste heat recovery boilers ("**WHRB**"), and 8 MW from biomass. This non-conventional source of 'green' power through WHRB and biomass enables us to reduce our dependence on thermal power using additional fossil fuel, which helps control our carbon emissions.

These operating divisions are fully equipped with machineries and plants with high technical specifications such as: two rotary kilns, each having diameter of 4.30 meter and length of 76-meter, steam turbines, sub merge arc furnace, furnace transformers, 80 ton pressing capacity mould, waste heat recovery boilers, biomass based boilers, solar panels, fly ash brick making machines, induction furnace, furnace transformer, hot billet transfer mechanism, and other accessories. Unit I is ISO 45001:2018 certified in connection of health and safety management system for manufacturing of sponge iron, ferrous billet and blooms, ferro alloys, dry beneficiation of coal, rolled steel TMT Bars, and facility management operation and maintenance of 18mw WHRB power plants and 8 mw biomass power plant.

Unit II:

Commissioned in 2002 and upgraded in Fiscal 2008 under the erstwhile Shri Bajrang Metallics and Power Limited, subsidiary of our Company, the Unit II became a part of our Company as a result of merger between our Company and Shri Bajrang Metallics and Power Limited which was approved through an amalgamation order passed by the High Court of Chhattisgarh in 2011. Unit II is located at Gondawara in Raipur, Unit II comprises of steel melting shop, TMT Bars and Wire Rod manufacturing facilities, HB wire manufacturing facilities, a captive thermal power plant of 16 MW, fly ash brick production facilities, crushers, grabbing cranes, mist cooling systems, and other ancillary accessories.

Unit II is ISO 14001:2015 certified in connection with environmental management system, ISO 9001: 2015 certified in connection with quality management system standard and ISO 45001:2018 certified in connection with occupational health and safety management system standard.

Unit III

Commissioned in 2013, the Unit III is located at Tilda, Raipur and comprises of iron ore beneficiation facility, pelletizing facility, sponge iron production facility, fly ash brick manufacturing facility and railway siding. Unit III is also supported by 32 MW WHRB captive power generation facility utilizing the waste heat emanating from our kilns during our manufacturing process and 9MW power capacity through AFBC power plant. Unit III converts low grade fines (Fe 55% and higher), into high grade green pellets (Fe 62% or higher), at its beneficiation facility which feeds into the pelletizing facility. Our pelletizing facility utilizes a straight grate technology which decreases the time that is otherwise taken for the production of pellets and hence improves operational efficiencies.

Our power generating facilities

As on May 31, 2021, we also have captive power capacity of 83 MW at our Units, which allows us to utilize our waste heat from manufacturing into electricity generation, minimize our carbon footprint and reduce our power and fuel costs. Further, our subsidiary, IAHEPL has an installed hydro-power capacity of 36 MW at District Chamba, Himachal Pradesh. In Fiscals 2021, 2020 and 2019, power units produced from our captive power plants accounted for 98.77%, 99.06% and 93.90% respectively, of our total power units consumed. Our revenues from sale of power accounted for ₹ 567.63 million, ₹ 692.15 million and₹ 525.31 million, representing 1.87%, 2.60% and 1.96% of our revenues from operations for Fiscals 2021, 2020 and 2019 respectively.

Our installed power capacity is as follows:

Sr. No.	Name of facility	Installed capacity (MW)	Generated from
1.	**Unit I**	18	Waste heat recovery
		8	Bio- mass
2.	**Unit II**	16	Thermal coal
3.	**Unit III**	32	Waste heat recovery
		9	AFBC Power Plant
Total installed captive power capacity		**83**	

Sr. No.	Name of facility	Installed capacity (MW)	Generated from
4.	**Hydro power capacity**	**36**	Hydro
Total installed power capacity		**119**	

Source: certificate from Agrawal & Associates, Chartered Engineer dated July 9, 2021 with license number AM086382/6

Capacity and Capacity Utilization

Our aggregate installed capacity, production volumes, and the capacity utilization of each of the products manufactured by our Company, for the last three Fiscals, is as follow:

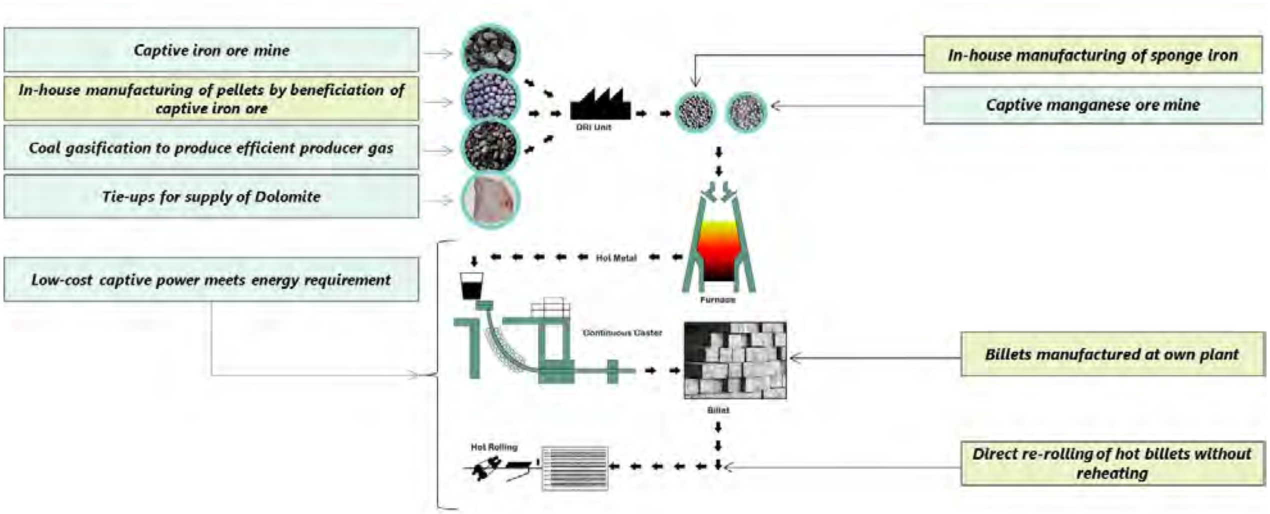
Product	Unit	Installed Capacity for the Fiscal			Actual Production for the Fiscal			Capacity utilisation (%) for the Fiscals		
		2019	2020	2021	2019	2020	2021	2019	2020	2021
UNIT-I										
Sponge Iron	M.T.	210,000	210,000	210,000	2,16,346	211,536	188,750	103.02%	100.73%	89.88%
Power Plant	Units	187,200,000	187,200,000	187,200,000	192,416,175	181,678,773	174,180,500	102.79%	97.05%	93.05%
Billets and Blooms	M.T.	129,600	129,600	129,600	111,003	122,153	163,240	85.65%	94.25%	125.96%
Ferro Alloys	M.T.	14,400	14,400	14,400	16,998	15,144	1,322	118.04%	105.17%	9.18%
Re-Rolled Products	M.T.	120,000	120,000	120,000	96,317	102,867	133,672	80.26%	85.72%	111.39%
UNIT-II										
Re-Rolled Products	MT	209,500	209,500	209,500	227,964	231,200	188,890	108.81%	110.36%	90.16%
Billets and Blooms	M.T	105,600	105,600	105,600	88,490	93,131	83,726	83.80%	88.19%	79.29%
Thermal Power	Units	126,720,000	126,720,000	126,720,000	119,840,388	122,998,030	112,214,505	94.57%	97.06%	88.55%
H.B. Wire	M.T	125,000	125,000	125,000	16,410	14,181	8,736	13.13%	11.34	6.99%
UNIT-III										
Sponge Iron	M.T	200,000	400,000	400,000	169,039	2,88,052	292,583.82	84.52%	72.01%	73.15%
Iron Ore Pallete	M.T	1,400,000	1,400,000	1,400,000	1,049,236	1,107,518	1,101,219	74.95%	79.11%	78.66%
Iron Ore beneficiation	M.T	2,000,000	2,000,000	2,000,000	1,112,267	1,221,430	1,200,035	55.61%	61.07%	60.00%
Pipe Mill *	M.T	N. A	N. A	250,000	N. A	N. A	31,384	N. A	N. A	12.55%
Ferro Alloys**	M.T	N. A	N. A	18,800	N. A	N. A	11,063	N. A	N. A	58.85%
Power Plant	Units	115,200,000	230,400,000	230,400,000	78,747,100	13,26,22,100	14,28,54,000	68.36%	57.56%	62.00%

Source: certificate from Agrawal & Associates, Chartered Engineer dated July 9, 2021 with license number AM086382/6

Backward Integration:

As a part of backward integrated manufacturing facility, in the Fiscal 2013, we set up iron-ore beneficiation and pelletisation facilities at Unit III which helps us use lower grade iron-ore lumps and fines to take advantage of the pricing differential between lower grade and higher-grade iron ore fines. In beneficiation processes, we use low grade iron ores to make them suitable for pelletisation in an economical and environment friendly manner. We recycle and utilize converter furnace dust as the raw material of pellets. Such fine dust can work as a binder, and the converter furnace dust has actually been confirmed to reduce the amount of binder used as a secondary effect. We believe that our backward integration into iron ore mining and captive power generation capabilities has helped us in minimizing operating costs and maximizing operational efficiencies and profitability.

The following flowchart highlights the integrated nature of our operations:



The key raw materials to produce long steel products are iron ore, coal, manganese ore, non-coking coal, dolomite, limestone and bentonite. Long steel products manufacturing is highly sensitive to raw material characteristics that would help obtain the rated capacity and the desired product quality. Raw materials comprise the single most significant percentage of our manufacturing costs and in the Fiscals 2021, 2020 and 2019, the cost of materials consumed (including changes in inventories, stock-in trade and work in progress) were ₹18,682.09 million, ₹18,391.22 million and ₹17,829.87 million, respectively and accounted for 60.97%, 68.65% and 66.05%, of our total income for the same period. Iron ore and coking coal are the primary materials used in steel production and the prices of these commodities are subject to significant volatility. There is substantial volatility in coal prices and exchange rate which impact the profitability of the steel industry.

For more information, see "*Risk Factors– Our operations have significant raw material requirements and we may not be able to ensure the availability of raw materials for our operations at competitive prices or in a timely manner*" on page 26.

In an effort to secure our raw material supplies and optimize costs, our Company has entered into various agreements with respect to various raw materials:

Raw Materials

a. *Iron Ore*

Our Company has been allotted iron ore mine at Kanker district, Chhattisgarh state. Our Company has executed a lease agreement dated November 21, 2014, with the Government of Chhattisgarh for leasing of the iron ore mines for a period of thirty years. This ensures uninterrupted supply of basic raw material for production of pellets which in turn are the prime raw materials required for manufacturing of sponge iron. In addition to our iron ore mine, we also source iron ore from other domestic sources including NMDC Limited wherein our Company has entered long term agreements with NMDC Limited for purchase of iron ore lumps and iron ore fines.

b. *Coal*

Our Company has executed multiple Fuel Supply Agreements, ("**FSAs**"), with South Eastern Coalfields Limited, a subsidiary of Coal India Limited, for the supply of coal. We believe that FSAs help us to source relatively lower cost coal which forms a significant part of our raw material cost. We also procure coal from domestic sources as well as imports primarily from South Africa.

c. *Manganese Ore*

Our Company has exclusive mining rights in connection with an open-cast manganese ore mine located in Vizianagaram district, in Andhra Pradesh. Our Company was been granted these rights till September 27, 2020 and the same has now been renewed up to September 26, 2050. Our Company has an environmental clearance to extract 13,114 TPA. Alternatively, we also procure manganese ore from MOIL Limited.

d. *Dolomite*

Our Company purchases dolomite from local markets after analysing quotes provided by various suppliers. Our Company has entered into an agreement with one of our Individual Promoter and Managing Director, Narendra Goel for purchases of dolomite.

e. *Limestone*

Limestone, which acts as catalyst, is required for manufacturing of fly ash bricks and silico manganese. Our Company purchases limestone from local markets after analysing quotes provided by various suppliers.

f. *Bentonite*

Bentonite powder is required for manufacturing of Pellets. Our Company purchases bentonite from local markets after analysing quotes provided by various suppliers.

Sales, Distribution and Marketing:

Our customer portfolio comprises two major segments which are Institutional Customers and Retail Customers. In Fiscals 2021, 2020 and 2019, our total revenue from top 10 customers was ₹8,655.13 million, ₹5,998.04 million and ₹4,996.84 million for the Fiscals 2021, 2020 and 2019, respectively and accounted for 28.55%, 22.52% and 18.61%, respectively of our revenues from operations for the same period.

The following map illustrates the locations of our network of dealers and distributors:

Note: The above map is not to scale and not intended to mean political map of the India.

Retail sales:

We currently sell our products in 22 states and union territories through our distribution network comprising of 11 distributors and 514 dealers. We have entered into exclusive arrangement with our distributors wherein they have agreed to exclusively sell our TMT Bars, ERW Pipes and HB wires in certain states through network of dealers. Our dealer network as on May 31, 2021 is spread across the various states in the following manner:

State	Number of Dealers
Chhattisgarh	241

State	Number of Dealers
Madhya Pradesh	157
Maharashtra	56
Telangana	28
Orissa	32
Total	514

We, through our distributors, have set various policies for our dealers including regarding rates, discounts, territory, promotions to ensure that the end customer experience across our various dealers is relatively similar. Our direct and frequent contact with our large dealer network helps us to stay up to date with changing preferences in the segment which also helps us to proactively provide product enhancements and react faster to changes in the end user segment. Our Company manages our channel partners and retail sales through a sales and marketing team of 129 employees as at May 31, 2021, who aid the distribution process and are primarily engaged in distributor/dealer relationship management, appointment of dealers and distributors, procuring orders, product promotions and collections.

Institutional Sales

Our Institutional Customers are spread across various segments including roadways, thermal and hydel power, railways, military engineering services, metro rails and airports. Our key Institutional Customers include Dilip Buildcon Limited, Mehrotra Buildcon Private Limited, Gayatri Projects Limited, Jhajharia Nirman Limited, Modern Road Makers Private Limited and Sadbhav Engineering Limited. Our institutional sales team focuses on managing relations with our large institutional clients and ensuring that our Company is empanelled with large institutional buyers and that our product portfolio and pricing remains competitive.

We also derive a portion of revenues from exports to various countries and our revenues from exports for Fiscals 2021, 2020 and 2019 was ₹3,272.78 million, ₹1,454.20 million and ₹122.11 million, respective and accounted for 10.80%, 5.46% and 0.45%, respectively, of our revenue from operations in such periods.

Our Company has continuously sought to increase the market share of our products, build brand awareness and recall value for our products and expand our geographical network. Towards these goals, our Company has adopted various marketing strategies, which include marketing through newspapers, media advertisements, banners, hoardings, in-shop promotions and demonstrations and frequent interactions with customers and influencers.

Quality control and Research and Development

The ability to deliver consistently high-quality steel products to customers is critical to our business. Quality control is ensured by strict adherence to work protocols, from the procurement of raw materials through the stages of production. Our Company maintains number of quality management system certificates in line with industry standards, including ISO 9001:2015 and ISO 14001:2015 for Unit II and ISO: 45001:2018 for Unit I and II. Certain of our products are certified by the Bureau of Indian Standards. Our quality assurance department, comprising of 95 people as on May 31, 2021, which helps us to monitor the quality of raw materials used by us and the end products produced by us. Robust process and product audit and quality rating are conducted, and quality check parameters are laid down to ensure adherence to defined process and product specifications. Audits for new products are also launched at various stages of production. Our quality assurance department uses chemical and physical testing facilities, like spectrometer, infrared thermometers, computerised universal testing machine to ensure that our end products adhere to our quality policies.

In order to maintain the quality of our raw materials, our Company has set up a research and development division, comprising of 15 professionals as on May 31, 2021, experienced in the field of metallurgy. This division, explores ways and means to improve the quality of our raw materials, as well as our manufactured products through monitoring and testing of hydrothermal extraction of metals from fly ash, purification of metal, salt solution obtained from digestion of fly ash, reactive and cooling crystallization of pure metal salts, precipitated silica, zeolite synthesis, and hydrometallurgical/thermal sintered dephosphorization of iron ore.

Our Company has been granted the license rights to use the ‘Thermex Quenching System and Technology’, (“**QST**”), from Hennigsdorfer Stahl Engineering GmBH, Germany, for Unit I and Unit III which helps us to produce high strength TMT Bars.

Pricing

We determine the prices for our products, based on various parameters, including market demand, our production capacity, transportation costs, raw materials costs, inventory levels, competitors' prices and credit terms. Prices for different regions are also affected by local regulations and tax policies. We review our prices regularly, based on prevailing wholesale prices in the market.

Safety, Health and Environment

We continually aim to comply with the applicable health and safety regulations and other requirements in our business operations. To this end, Unit II is ISO 14001:2015 certified in connection with environmental management system for rolled steel sections and ferrous billets, blooms and facility management for operation and maintenance of 16 mw power plant. Unit II is also ISO 9001: 2015 certified in connection with quality management system standard for manufacturing of rolled steel sections and ferrous billets & blooms and ISO 45001:2018 certified in connection with occupational health and safety management system standard for manufacturing of rolled steel section, ferrous billets, blooms & power generation up to 16MW. Unit I is ISO 45001:2018 certified in connection with health and safety management system for manufacturing of sponge iron, ferrous billet and blooms, ferro alloys, dry beneficiation of coal, rolled steel TMT Bars, and facility management operation and maintenance of 18MW WHRB power plants and 8 MW bio-mass based power plant.

We are committed to ensure a safe and healthy workplace for our employees and minimise our potential impact on the environment. We implement work safety measures to ensure a safe working environment including general guidelines for health and safety at our Units, accident reporting, wearing safety equipment and maintaining clean and orderly work locations. Further, environmental requirements imposed by the Government of India and state governments will continue to have an effect on our operations and us. We believe that we have complied, and will continue to comply with all applicable environmental laws, rules and regulations. We have obtained all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business and will apply for environmental consents for our Green Field Expansion once the proposed amendmets to MoU have been agreed upon and we decide on implementation schedule for the project. For details, see "*Government and Other Approvals*" on page 314.

In order to utilize our waste heat from our Units into electricity generation, minimize our carbon footprint and reduce our power and fuel costs, we have set up waste heat recovery power plants with aggregate capacity of 50MW at our Units. We have also set-up power generating capacity of 8MW by using rice-husk as a feedstock. This non-conventional source of 'green' power through waste heat recovery boilers enables us to reduce our dependence on thermal power using additional fossil fuel and helps control our carbon emissions. We have obtained, or are in the process of obtaining or renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. See "*Risk Factors – Any inability to obtain, renew or maintain the statutory and regulatory permits, licenses and approvals required to operate our business could have a material adverse effect on our business"* on page 40.

Information Technology (IT)

Our IT systems are vital to our business and our Company has adopted IT procedures to assist us in our operations. Our Company has implemented ERP system in the following areas of our operations namely, financial and accounting, sales, purchase, inventory management and human resource management. We have engaged Microsoft Dynamics NAV Solutions. It consists of a number of fully integrated modules, which covers aspects of the business management. We use Microsoft Dynamics NAV Solutions in the areas like financial, sales and distribution, material management, production planning, quality management and project system.

Additionally, our IT team has developed the 'Goel TMT Mobile App' designed for both Android and IOS platforms, which provides timely updates to our dealers, distributors and customers on daily rates, order confirmations, dispatch details, outstanding dues, status of complaint etc. 'Goel TMT Mobile App' also provides information about our Company, details of our product, details of our dealer and distribution network and home building tips. Also, see "*Risk*

Factors – If we are unable to invest in new technologies and equipment, our cost of processing may increase relative to our competitors, which may have an adverse impact on our business, results of operations and financial condition." on page 42.

Insurance

Our operations are subject to hazards inherent to steel making and hydro-power including events such as work accidents, equipment failure, fire and other force majeure events, such as flood, acts of terrorism and explosions. Such hazards may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Our Company maintains comprehensive fire industrial all risk insurance cover for majority of our assets and the policy covers material damage and business interruptions due to fire, accidents and natural disasters (including earthquakes), as well as losses associated with the breakdown of equipment and machinery. Our Company also maintains marine cargo policy for goods in transit, group health policy, workmen's compensation policy for our employees and workmen. Also, see "*Risk Factors – We may not have sufficient insurance coverage for all possible future economic losses.*" on page 39.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the scope of the coverage provided by such insurance. However, our policies are subject to standard limitations, including with respect to the maximum amount that can be claimed. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Human Resources:

As of May 31, 2021, we had a workforce of 4,134 personnel comprised 3,532 permanent employees and 602 contract employees for our operations. The breakdown of our employees in our business by function is summarized in the following table:

Function	**Number of employees, as of May 31, 2021**
Production	1,395
Maintenance	548
Purchase and sourcing	69
Sales and marketing	129
Accounts and finance	76
Human resources	51
Others	1,264
Total	**3,532**

We also engage contractors to provide us contract labour from time to time.

Our Company regularly conducts: (1) training for fire and safety drills, for our employees; (2) technical training for our engineers and workers; (3) HR training to workers pertaining to HR policies, ESIC and EPF benefits; and (4) soft skill training sessions for our worker and engineers. Our Company has established health centres at each of our Units, which deal with day-to-day health problems, minor injuries and periodic check-ups. For certain of our employees, our Company also provides free accommodation, free transportation facilities, canteen facilities, sports facilities for recreation, an interest-free financial assistance policy, provident fund, pension and group gratuity schemes. Our workers are also covered under specific accident insurance schemes, which provide cover in the event of injuries or death sustained in course of employment.

Competition

India is our primary market and our Company faces competition in the steel market from domestic as well as from overseas. Due to the commodity nature of most of our product categories, as well as our raw material purchases, competition in these markets is based primarily on demand. As a result, to remain competitive in our market, our Company must continuously strive to reduce our operating costs and improve our operating efficiencies. Further, our

Company believes that our well recognized brands also help us in competing effectively in the TMT Bars and HB Wire categories.

As our product categories are voluminous in nature, we believe that the relevant competition is from companies having manufacturing presence in central and western India. Our competition consists of producers of long products including Godawari Power & Ispat Limited, Jindal Steel & Power Limited, JSW Ispat Special Products Limited, JSW Steel Limited, Kalyani Steels Limited, MSP Steel & Power Limited, Rashtriya Ispat Nigam Limited, Shyam Metalics & Energy Limited, Steel Authority of India Limited, Sarda Energy & Minerals Limited, Prakash Industries Limited and Tata Steel Limited. *(Source: IRR Report)*. For further details, see "*Industry Overview*" on page 106.

Corporate Social Responsibility ("CSR")

Our Company has adopted a CSR policy in compliance with the requirements of the Companies Act, 2013, and the Companies (Corporate Social Responsibility) Rules, 2014. Our vision on CSR is to pursue a corporate strategy that enables shareholder value enhancement and societal value creation in a mutually reinforcing and synergistic manner.

Our corporate social responsibility programmes include promotion of education, environment protection and energy conservation, rural development, healthcare, alleviation of poverty and women empowerment. Our expenses towards corporate social responsibility for Fiscals 2021, 2020 and 2019 were ₹ 43.97 million, ₹ 32.73 million and ₹ 16.53 million respectively.

Intellectual Property Rights

Our TMT Bars, ERW Pipes and HB wires, are sold under the brands ‘GOEL TMT’, ‘GOEL PIPES’ and ‘wire’ respectively which have been registered under the Trade Marks Act, 1999. In addition, we also own certain other trademarks that have been registered under the Trademarks Act, 1999. For further information, see "*Government and other Approvals – Approvals in relation to intellectual property of our Company*" on page 315.

Properties

Our registered office is located at Village Borjhara, Guma Road, Urla Growth Centre, Raipur – 493 221, Chhattisgarh, India. The land on which our registered office is located is owned by our Company. Our corporate office is located at 808/A, C Wing, One BKC, G Block, Bandra-Kurla Complex, Mumbai 400 051, Maharashtra, India and owned by our Company. Further, our Company runs its operations out of three manufacturing Units which are being conducted on owned and long term leased premises taken for 99 years. Our Subsidiary, IAHEPL own/ has taken on lease the land on which its facilities are located.

Also see, "*Risk Factors – Certain of our operations are being conducted on leased premises. Our failure to renew these leases, obtain new leases or pay higher rental fees under these leases could negatively impact our operations*" on page 35**.**

KEY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to the business of our Company. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see "Government and Other Approvals" on page 314.

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

A. National Steel Policy, 2017 ("NSP 2017")

The NSP 2017 seeks to enhance domestic steel production with focus on creating a technologically advanced and globally competitive steel industry in India that promotes economic growth. The NSP 2017 aims to creating environment for attaining (i) Self-sufficiency in steel production by providing policy support and guidance to private manufacturers, MSME steel producers, CPSEs and encourage adequate capacity additions; (ii) Development of globally competitive steel manufacturing capabilities; (iii) Cost-efficient production and domestic availability of iron ore, coking coal and natural gas; (iv) Facilitate investment in overseas asset acquisitions of raw materials; and (v) Enhance domestic steel demand . The intent is to strengthen the research and development of national importance in the iron and steel sector by utilizing tripartite synergy among industry, national research and development laboratories and academic institutions. The NSP 2017 covers, *inter alia*, steel demand, steel capacity, raw materials, including iron ore, iron ore pellets, manganese ore, chromite ore, ferro-alloys, land, water, power, infrastructure and logistics, and environmental management.

B. The Indian Boilers Act, 1923 ("Boilers Act") and the Indian Boiler Regulations, 1950 ("Boilers Regulations")

The Boilers Act provides for *inter alia* the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection during operation and maintenance of boilers in India and provides for penalties for illegal use of boilers. The Boilers Regulations provide for, *inter alia*, standard requirements with respect to material, construction, safety and testing of boilers.

C. Legal Metrology Act, 2009 ("LM Act")

The LM Act aims to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The LM Act and rules framed thereunder regulate, *inter alia*, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the LM Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the LM Act. Any non-compliance or violation under the LM Act may result in inter alia a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

D. Policy for Providing Preference to Domestically Manufactured Iron and Steel Products in Government Procurement, 2019

The Policy for Providing Preference to Domestically Manufactured Iron and Steel Products in Government

Procurement, 2019 ("**Policy**") notified in 2017 and subsequently revised in 2019 and 2021 aims at providing preference to domestically manufactured iron and steel products in government procurement. The Policy mandates to provide preference to Domestically Manufactured iron & Steel Products (DMI&SP) with a minimum of 15%-50% value addition in Government Procurement. The Policy is applicable to supply of iron and steel products having aggregated estimate value of ₹ 5 lakhs or more. The Policy also provides for provisions for waivers to all such procurements, where specific grades of steel are not manufactured in the country, or the quantities as per the demand of the project cannot be met through domestic sources. Apart from promoting the use of domestically-manufactured steel in government projects, the Policy also encourages local manufacturing. The policy is envisaged to promote growth and development of domestic steel.

E. Steel Scrap Recycling Policy, 2019

The Ministry of Steel, Government of India has introduced the Steel Scrap Recycling Policy, 2019 ("**Policy**") which envisages a framework to facilitate and promote establishment of metal scrapping centers in India. The policy aims to ensure scientific processing & recycling of ferrous scrap generated from various sources and a variety of products. The policy framework provides standard guidelines for collection, dismantling and shredding activities in an organized, safe and environmentally sound manner. The policy aims to achieve the following objectives –(i) to promote circular economy in the steel sector, (ii) to promote a formal and scientific collection dismantling and processing activities for end of life products that are sources of recyclable (ferrous, non-ferrous and other non-metallic) scraps which will lead to resource conservation and energy savings and setting up of an environmentally sound management system for handling ferrous scrap; (iii) processing and recycling of products in an organized, safe and environment friendly manner; (iv) to evolve a responsive ecosystem by involving all stakeholders; (v) to produce high quality ferrous scrap for quality steel production thus minimizing the dependency on imports; (vi) To decongest the Indian cities from ELVs and reuse of ferrous scrap; (vii) to create a mechanism for treating waste streams and residues produced from dismantling and shredding facilities in compliance to Hazardous & Other Wastes (Management & Transboundary Movement) Rules , 2016 issued by MoEF & CC; and (viii) to promote 6Rs principles of reduce, reuse, recycle, recover, redesign and remanufacture through scientific handling, processing and disposal of all types of recyclable scraps including nonferrous scraps, through authorized centers / facility.

F. Legislations Related Environment

The Environment (Protection) Act, 1986, as amended ("EPA") and the Environment (Protection) Rules, 1986

The EPA is an umbrella legislation in respect of the various environmental protection laws in India. Under the EPA, the GoI is empowered to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for, inter alia, laying down standards for the quality of environment in its various aspects, laying down standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution among others. Penalties for violation of the EPA include fines up to ₹100,000 or imprisonment of up to five years, or both. The imprisonment can extend up to seven years if the violation of the EPA continues. There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities and agencies in certain cases, establishment of environmental laboratories and appointment of Government analysts.

The Air (Prevention and Control of Pollution) Act, 1981, as amended and in force from time to time ("Air Act")

The Air Act has been enacted to provide for the prevention, control and abatement of air pollution. The Air Act was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the corresponding State Pollution Control Boards. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

The Water (Prevention and Control of Pollution) Act, 1974, as amended ("Water Act")

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases, the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines, or imprisonment, or both.

The Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016, ("Hazardous Wastes Rules")

The Hazardous Wastes Rules impose an obligation on every occupier of a facility generating hazardous waste for safe and environmentally sound handling of hazardous waste generated at such facility. Every person engaged in generation, processing, treatment, packaging, storage, transportation, use, collection, destruction, conversion, offering for sale and transfer of hazardous waste, must obtain an approval from the applicable State Pollution Control Board. The occupier, the importer, the transporter and the operator of disposal facility are liable for damages to the environment or third party resulting from the improper handling and disposal of hazardous waste.

Public Liability Insurance Act, 1991 ("Public Liability Act")

The Public Liability Act, as amended, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substance. A list of hazardous substances covered by the Public Liability Act has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

G. Legislation related to Mining

The Mines and Minerals (Development and Regulations) Act, 1957 ("MMDR Act")

The Mines and Minerals (Development and Regulations) Act, 1957, as amended, was enacted to provide for the development and regulation of mines and minerals, under the control of the Union of India. The MMDR Act lays down the substantive law pertaining to the grant, renewal and termination of reconnaissance, mining and prospecting licenses, and mining leases. The Mineral Concession Rules, 1960, outline the procedures for obtaining a prospecting license or a mining lease, as well as the terms and conditions of such licenses and the model form in which they are to be issued. The Central Government has also framed the Mineral Conservation and Development Rules, 1988, that lay down guidelines for ensuring mining is carried out in a scientific and environmentally friendly manner.

The National Mineral Policy

The Central Government announced the National Mineral Policy, 2019 ("NMP, 2019") replacing the extant National Mineral Policy, 2008, to sustain and develop mineral resources, so as to ensure their adequate supply for the present needs and future requirements of India, in a manner which will minimize adverse effects of mineral development on forests, the environment, and the ecosystem, through appropriate protective measures. The NMP, 2019 focuses on use of coastal waterways and inland shipping for evacuation and transportation of minerals and encourages dedicated mineral corridors to facilitate the transportation of minerals.

The Coal Mines (Special Provisions) Act, 2015

The Coal Mines (Special Provisions) Act 2015, provides for allocation of coal mines and vesting of the right, title and interest in and over the land, and mine infrastructure, together with mining leases, to successful bidders and allottees, with a view to ensure continuity in coal mining operations and production of coal, and for promoting optimum utilisation of coal resources consistent with the requirement of India.

The Iron Ore Mines, Manganese Ore Mines, and Chrome Ore Mines, Labour Welfare Fund Act, 1976, ("MLWF Act")

The MLWF Act, seeks to promote the welfare of persons employed in iron/manganese/chrome ore mines. The MLWF Act also provides for the creation of a Central Government Fund, ("**Fund**"), from the proceeds of customs and excise duties as payable pursuant to the Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Cess Act, 1976. Further, under the MLWF Act, the Central Government is empowered to constitute Advisory Committees, in each of the States that produces iron/manganese/chrome ore, which committees advise the Central Government on inter-alia, matters pertaining to the administration and application of the said Fund.

The Electricity Act, 2003, ("Electricity Act") and The Electricity Rules, 2005 ("Electricity Rules")

The Electricity Act regulates and governs the generation, transmission and distribution of electricity in India, including by specification of safety standards in relation to the same. The Electricity Act also controls the transmission and use of electricity, including through specifying action to be taken in relation to any electric line or appliance under the control of a consumer, for the purpose of eliminating or reducing the risk of personal injury and damage to property. Pursuant to the Electricity Act, every licensee must supply electricity only through the installation of a correct meter in accordance with the regulations as prescribed by the Central Electricity Authority. The Central and state Electricity Regulatory Commissions, are empowered to adjudicate upon matters relating to any non-compliance in this regard. Additionally, the Electricity Act levies penalties, including imprisonment, for tampering with electricity meters and for the use of unauthorized electricity meters.

H. Legislations related to Labour

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Industrial Disputes Act, 1947, Contract Labour (Regulation and Abolition) Act, 1970, Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Trade Unions Act, 1926 the Payment of Bonus Act, 1965, Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and the Maternity Benefit Act, 1961, among others.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

a. Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

b. Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

c. Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act ,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the employee's provident fund and the employee's state insurance corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees suffer, among others.

d. Occupational Safety, Health and Working Conditions Code, 2020, which amends and consolidates laws regarding the occupational safety, health and working conditions of persons employed in an establishment. It subsumes various enactments including, among others, the Factories Act, 1948 and the Contract Labour (Regulation and Abolition) Act, 1970.

While certain portions of the Code on Wages, 2019, have now been enforced by the Ministry of Labour and Employment, the remainder of these codes shall become effective on the day that the Government shall notify for this purpose.

I. Legislation related to Intellectual Property

The Trade Marks Act, 1999, ("Trade Marks Act")

The Trade Marks Act, which came into force on December 30, 1999, along with the rules and regulations made thereunder, govern the law pertaining to trade marks in India. A trade mark is essentially any mark capable of being represented graphically, which distinguishes goods or services of one person from those of others, and includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours, or any combination thereof. In India, trademarks enjoy protection under both statutory and common law. Registration of a trade mark grants the owner a right to exclusively use the trade mark as a mark of goods and services and prevents the fraudulent use of marks in India.

The Trade Marks Act permits the registration of trade marks for goods and services. Certification trademarks and collective marks can also be registered under the Trade Marks Act. The Registrar of Trade Marks is the authority responsible for, among other things, registration of trademarks, settling opposition proceedings and rectification of the register of trade marks. The Trade Marks (Amendment) Act, 2010, has been enacted to cover Indian nationals as well as foreign nationals to secure simultaneous protection of trade marks in other countries. The Trade Marks (Amendment) Rules, 2013, were enacted to give effect to the Trade Mark (Amendment) Act, 2010

J. Other Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations. Our Company is also amenable to various central and state tax laws, such as the Income Tax Act, 1961, the Customs Act, 1962 and relevant goods and services tax legislations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated as 'Shri Bajrang Power and Ispat Limited' on July 25, 2002, at Gwalior as a public limited company under the Companies Act, 1956 and was granted a certificate of incorporation by the Registrar of Companies, Madhya Pradesh and Chhattisgarh. Our Company received the certificate for commencement of business dated February 5, 2004, issued by the Registrar of Companies, Madhya Pradesh and Chhattisgarh.

Changes in registered office of our Company

The details of changes in the registered office of our Company since incorporation are set forth below:

Date of change	Details of the address of registered office	Reason for change
April 2, 2004	The registered office of our Company was changed from Village Gondwara, district Raipur – 493221 to 522/C, Urla Industrial Area, Raipur-493221, Chhattisgarh	Administrative convenience
June 20, 2006	The registered office of our Company was changed from 522/C, Urla Industrial Area, Raipur-493221, Chhattisgarh to Village Borjhara, Guna Road, Urla Growth Center, Raipur- 493221, Chhattisgarh	Administrative convenience-

Note: Address of registered office of our Company was corrected from Village Borjhara, Guna Road, Urla Growth Center, Raipur- 493221, Chhattisgarh to Village Borjhara, Guma Road, Urla Growth Center, Raipur- 493221, Chhattisgarh on March 23, 2017.

Main Objects as set out in the Memorandum of Association of our Company

The main objects contained in the Memorandum of Association are as follows:

1. *"To carry on in India or elsewhere the business as manufacturers, producers, processors, re-rollers converters, consultants, job workers, dealers, stockiest, distributors, agents, brokers, importers, exporters of all kinds of Iron and steel products-Ferrous and non- Ferrous metals their alloys and products including aluminum, brass, tin, nickel, raw steel, mild steel, carbon steel, alloy steel, special steel, spring steel; wrought iron, stainless steel, pig iron, sponge iron, Ferro alloys, nickel alloy, silicon alloy, miners, smelters or any combination thereof and to set up steel furnace, arc furnace, induction furnace and continuous casting and hot and cold rolling mill plants for producing ferrous and non-ferrous metals, alloy steels, ingots, billets blooms, and all kinds and all sizes of iron steel re-rolled sections i.e. flats, bars, beems, angles, rounds, squires, rails, joists, channel, slabs, bright bars, shafting, hexagons, octagons, structures, sections, strips, sheets, plates, rods, deformed bars, plain and cold twisted bars, TMT bars and shafting, wire and wires products, nuts, bolts, nails, tools, and types of hardware items and to do all kinds of foundry works.*

2. *To manufacture in India and /or abroad, produce, assemble, process, take on lease and other wise steel or traffic steel, alloy steel, cast iron, alloyed cast iron, steel forgings, sponge iron, alloyed cast pig iron, hardware brass, copper, lead, zinc, mica, and aluminum materials and its scrap or by products and to carry on business as Re-rolling mill, rolling mill, extrusion mill, foundry proprietors and mine owners and to buy sell, extract, prepare for market, manipulate, import and export all kinds of steel, cast iron, alloyed cast iron, sponge iron, iron scrap, pig iron, Ferro alloys, hardware, brass copper, lead zinc, and mica and aluminium material, circles and utensils.*

3. *To carry on the trade or business of steel melters, fabricators, steel converters, furniture makers, iron masters, miners, smelters, engineers, wire drawing, tin plate makers, iron founders and items like strips, foils, tapes, wires, wire spring patta, rods, plates and any other sections, shapers or forms.*

4. *To carry on in India and/ or abroad the business to produce, generate process, transform, formulate, buy, sell or in any way deal in, acquire, store, pack, transport, distribute dispose off, utilize Electrical Energy, Thermal Energy, Bio-Energy, Solar Energy, Hydro Power, Bio gas Coal Gas, Natural Gas, Hydrogen Gas, Steam Water Gas, Methane Gas, Petroleum Gas, RLH Gas, and fuel gases of all or any other kinds and to convert/ or to otherwise deal with or dispose off the generated bye products, wastes, effluents and emissions into saleable materials like coke, Ash, Bricks, Char, Briquettes, Charcoal, Cinders, Tar, Carbolic Acids, Gypsum and other Chemicals or distilled products.*

5. *To carry on the business of manufacturers, fabricators, processors, growers, makers, importers, exporters buyers, sellers, suppliers, stockiest, agents, merchants, distributors and concessionaires of and dealers in commodities of all or any drugs medicines, herbals, medicinal plants and all types of mixtures, powders, tablets, capsules, injections, oils, compounds, creams, soaps, scents, glycerin, detergents, glue gelatin, lotions, toilet goods, piedmonts and all kinds of cosmetics, forest products and medicinal preparation required or used for beauty and personal hygiene or in allopathic, ayurvedic, homeopathic, uniani or natural cure method of orthopedic and stores including prophylactics.*

6. *To carry on the business of Manufacturers, developers, buyers, sellers, traders, importers, exporters, processors, commission agents, distributors, dealers, relabellers, re-packers and representatives in any legal form for all kinds of food and beverages including but not limited to fruits, vegetables, confectionery, infant nutrition, clinical nutrition, performance nutrition, cereals, coffee, tea, wheat, flour, food grains, pulses, cereals, rice, spices, sugar, sugar products, vegetable ghee, edible oil, cooking oil, mineral oil, cocoa based and other food products , uses and packs of consumer food items, their by products. ingredients, derivatives, residues, including foods and vegetables, packed foods, powders, pastes, liquids, drinks, beverages, juices, jams, jelly, murabbas, jaggery, squashes, pickles, sausages, concentrates, extracts, essences, flavours, syrups, sarbats, flavoured drinks, cream, cheese, butter, toffees. fun foods, breakfast foods, Ready to Serve Food(RTS), dietic products, strained baby foods, instant foods, cereal products, table delicacies, Ayurvedic Health Boosters like Chawanprash, Health Drinks and all other items whether natural, artificial or synthetic. and to establish Industrial Unit(s) for manufacturing of food and beverages.*

7. *To carry on the business as manufacturers, processors, Traders of and dealers in dairy, farm, and garden produce of all kinds, such as milk, cream, butter, ghee, cheese, condensed milk, milk powder, malt products, milk foods and milk preparations of all description, vegetables and fruits of all kinds and business of milling of grains by taking on lease, hiring, purchasing, erecting, or otherwise acquiring rice mills, husking mills, grinding mills, cleaning, grading, polishing of all kinds of pulses, rice, spices, and other food grains and cereals in any or all its branches as would be required for effective discharge of these objects.*

8. *To produce, process, store, distribute, sell, trade, import, export or otherwise deal in all kinds of coal and coke and other by products of coal and to carry on in India and elsewhere the trade or business, acquire, purchase, lease, license, grant, amalgamation or otherwise of coal mining.*

9. *To carry on in India and / or abroad the business to produce, generate, process, acquire, transform, assemble, formulate, buy, sell, importer, exporter, and to act as agents, merchants, traders, contractors, distributors, stockiest and forwarders or in any way deal in, hot rolled coils/sheets, cold rolled coil/sheet, galvanized coils/sheets, galvanized colour coated coils/sheets, washing of coal, power generation, sinters, oxygen, galvanizing of steel tubes/pipes and other hollow sections, alumina, steel slab, ferro chrome and to carry on business in all kinds of tubes, ekectruc resistance welding CS/MS pipe and tabular section, DI pipe, Seamless pipe."*

The main objects and object incidental or ancillary to the main object as contained in the Memorandum of Association enable our Company to undertake its existing activities.

Amendments to our Memorandum of Association

The table below sets forth the details of the amendments to our Memorandum of Association in the 10 years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution/ effective date	Particulars
November 14, 2011[(1)]	Clause V of our Memorandum of Association was amended to reflect the increase in the authorized share capital of our Company from ₹450,000,000/- divided into 45,000,000 Equity Shares of ₹ 10 each to ₹600,000,000/- divided into 60,000,000 Equity Shares of ₹ 10 each through Scheme of Amalgamation.
May 31, 2018	Clause III A of our Memorandum of Association was amended by inserting the following sub-clause under Part A of Clause III, after the existing sub-clause 4: *"5. To carry on the business of manufacturers, fabricators, processors, growers, makers, importers, exporters buyers, sellers, suppliers, stockiest, agents, merchants, distributors and concessionaires of and dealers in commodities of all or any drugs medicines, herbals, medicinal plants and all types of mixtures, powders, tablets, capsules, injections, oils, compounds, creams, soaps, scents, glycerine, detergents, glue gelatin, lotions, toilet goods, piedmonts and all kinds of cosmetics, forest products and medicinal preparation required or used for beauty and personal hygiene or in allopathic ayurvedic, homeopathic uniani or natural care method of orthopaedic and stores including prophylactics,* *6. To carry on the business of Manufacturers, developers, buyers, sellers, traders, importers, exporters, processor, commission agents, distributors, dealers, relabellers re-packers and representatives in any legal form for all kinds of food and beverages including but not limited to fruits, vegetables, confectionery, infant nutrition, clinical nutrition, performance nutrition, cereals, coffee, tea, wheat, flour, food grains, pulses, cereals, rice, spices, sugar, sugar products, vegetable ghee, edible oil, cooking oil, mineral oil, cocoa based and other food products, uses and packs of consumer food items, their by-products. Ingredients, derivatives, residues, including foods and vegetables, packed foods, powders, pastes, liquids, drinks, beverages, juices, jams, jelly, murabbas, jaggery, squashes, pickles, sausages, concentrates, extracts, essences, flavours, syrups, sarbats, flavoured drinks, cream, cheese, butter, toffees. Fun foods, breakfast foods, Ready to Serve Food(RTS), dietic products, strained baby foods, instant foods, cereal products, table delicacies, Ayurvedic Health Boosters like Chawanprash, Health Drinks and all other items whether natural, artificial or synthetic. And to establish Industrial Unit(s) for manufacturing of food and beverages.* *7. To carry on the business as manufacturers, processors, Traders of and dealers in dairy, farm, and garden produce of all kinds, such as milk, cream, butter, ghee, cheese, condensed milk, milk powder, malt products, milk foods and milk preparations of all description, vegetables and fruits of all kinds and business of milling of grains by taking on lease, hiring, purchasing, erecting, or otherwise acquiring rice mills, husking mills, grinding mills, cleaning, grading, polishing of all kinds of pulses, rice, spices, and other food grains and cereals in any or all its branches as would be required for effective discharge of these objects."*
September 3, 2018	Clause V of our Memorandum of Association was amended to reflect the increase in the authorized share capital of our Company from ₹600,000,000/- divided into 60,000,000 Equity Shares of ₹ 10 each to ₹ 1,000,000,000/- divided into 100,000,000 Equity Shares of ₹ 10 each.
May 25, 2019	Clause III A of our Memorandum of Association was amended by inserting the following sub-clause under Part A of Clause III, after the existing sub-clause 7: *"8. To produce, process, store, distribute, sell, trade, import, export or otherwise deal in all kinds of coal and coke and other by products of coal and to carry on in India and elsewhere the trade or business, acquire, purchase, lease, license, grant, amalgamation or otherwise of coal mining.* *9. To carry on in India and / or abroad the business to produce, generate, process,*

Date of Shareholders' resolution/ effective date	Particulars
	acquire, transform, assemble, formulate, buy, sell, importer, exporter, and to act as agents, merchants, traders, contractors, distributors, stockiest and forwarders or in any way deal in, hot rolled coils/sheets, cold rolled coil/sheet, galvanized coils/sheets, galvanized colour coated coils/sheets, washing of coal, power generation, sinters, oxygen, galvanizing of steel tubes/pipes and other hollow sections, alumina, steel slab, ferro chrome and to carry on business in all kinds of tubes, ekectruc resistance welding CS/MS pipe and tabular section, DI pipe, Seamless pipe."

(1) *Date of the order passed by the High Court of Chhattisgarh approving the scheme of amalgamation of Shri Bajrang Metallics and Power Limited with our Company.*

Major events and milestones of our Company

The table below sets forth the major events and milestones in the history of our Company:

Financial Year	Particulars
2004	Obtained certificate of Importer – Exporter Code from Foreign Trade, Ministry of Commerce & Industries, Government of India.
2005	Establishment of Unit I
2010	Allotment of exclusive mining rights of manganese ore mine located in the Vizianagaram district in Andhra Pradesh.
2011	Amalgamation of SBMPL with our Company.
2013	Establishment of Unit III.
2014	Allotment of exclusive mining rights of iron ore mine located in the Uttar Bastar Kanker district at Chhattisgarh.
2017	Investment in power business through our subsidiary company, IAHEPL.
2018	Our in-house R&D Centre has been recognized before the Ministry of Science & Technology, Department of Scientific and Industrial Research.
2020	Commencement of production of ERW Pipes under the brand ' '

Awards, accreditations and recognitions

The table below sets forth the key awards, accreditations and recognitions received by our Company:

Calendar Year	Particulars
2013	Certificate of appreciation for successfully implementing energy efficient technologies and contributing to the reduction of greenhouse gas emission and also recognized as a model unit by the project "Removal of barriers to energy efficiency improvement in steel re-rolling mill sector in India" from Ministry of Steel, Government of India and UNDP.
2014	'National Energy Conservation Award', for energy conservation in the steel re-rolling sector Government of India, Ministry of Power.
	Recognition by the Ministry of Steel as the model unit under the MoS-UNDP-GEF project "Removal of Barriers to energy efficiency in steel re-rolling mill sector in India".
2015	'Energy Efficiency Awards, 2015' in Iron and Steel – sponge iron category from Chhattisgarh State Renewal Energy Development Agency in association with National Institute of Technology, Raipur & The New Management Association of Chhattisgarh.
2016	'Sustainable Energy Development Award for the FY 2015-16' in Iron & Steel - Sponge Iron category from Chhattisgarh State Renewal Energy Development Agency in partnership with National Institute of Technology, Raipur & The New Management association of Chhattisgarh for Energy Efficiency Measures.
	First prize in "Electrical Installation" from Directorate General of Mines Safety, Bilaspur and Raigarh region.

Calendar Year	Particulars
2017	Adjudged second runner up in the large scale category of Energy Conservation Awards, Confederation of Indian Industry Eastern Region, for the year 2016-2017.
	Third prize in "Air Quality Management" by Indian Bureau of Mines, Raipur Region.
	Recipient of Gold Trophy in the composite category of TMT/ Wire Rods products under DRI-EAF/EIF-RM process route from Ministry of Steel, Government of India.
2018	Second prize in "Sustainable Development Category 'B' Mines" at Thrid Mines Environement & Mineral Conservation Week 2018-19 under the aegis of Indian Bureau of Mines, Raipur Region.
	Third prize in "Waste Dump Management Category 'B' Mines" at Third Mines Environment & Mineral Conservation Week 2018-19 under the aegis of Indian Bureau of Mines, Raipur Region.
	First prize in "Machinery Group 'C' Mines" at 36th Annual Mines Safety Fortnight Celebration under the aegis of Directorate General of Mines Safety, Bilaspur & Raigarh Region
	First prize in "Injury Rate 'C' Mines" at 36th Annual Mines Safety Fortnight Celebration under the aegis of Directorate General of Mines Safety, Bilaspur and Raigarh Region
2019	Second prize in 'Publicity & Propaganda Group A2 Mines at 4th Mines Environment & Mineral Conservation Week 2019-20 under the aegis of Indian Bureau of Mines, Raipur Region.
	Second prize in 'Publicity & Propaganda Group A2 Mines at 37th Annual Mines SafetyFortnight Celebration under the aegis of Directorate General of Mines Safety, Bilaspur and Raipur Region.
	Awarded 4.5 star rating in Large Scale Category by CII ENCON Award 2019
2020	Unit I received ISO 450001:2018 – Health and Safety Management System certification for manufacture of iron ore pallets, sponge iron, ferrous billet and blooms, ferro alloys, dry beneficiation of coal rolled steel TMT bars and facilities management operation and maintenance of 18 MW WHRB power plants and 8 MW power plant.
	Unit II received ISO 450001:2018 – Health and Safety Management System certification for manufacture of rolled steel section, ferrous billets, blooms and power generation up to 16 MW.
	Unit II received ISO 9001:2015 – Quality Management System certification for manufacture of rolled steel sections and ferrous billets and blooms.

Financial and Strategic Partners

Our Company does not have any financial or strategic partner as of the date of this Draft Red Herring Prospectus.

Time and cost overrun

Except as stated below, there have been no time or cost overruns due to reasons attributable to our Company in the setting up of projects by our Company since incorporation:

Sr. No.	Year	Name of the project	Time overrun	Cost overrun	Reason for time/ cost overrun
1.	2012	Setting up of sponge iron division and captive power plant at Unit III.	Project was expected to be completed by October 2012 but there was a delay and the project was completed by March 2013.	-	The time over run was on account of: 1. Delay in sanction from some of the consortium member banks. 2. Delay in execution of consortium document, and also due to 3. Extended rainy season, up to the end of September 2012.
2.	2017	Setting up of	Project was expected	The cost of the	The time and cost overrun was on

Sr. No.	Year	Name of the project	Time overrun	Cost overrun	Reason for time/ cost overrun
		hydro power project by our Subsidiary IA Hydro Energy Private Limited at Himachal Pradesh.	to be completed by March 2017 but there was a delay and the project was completed by July 2017.	project had increased from ₹ 2,950.90 million to ₹ 6,311.96 million.	account of flash floods and geological issues during construction.

For further details, please see "*Risk Factors – We propose to undertake expansion which will entail significant capital expenditure and will require and expose us to execution risks*" on page 27.

Launch of key products or services, entry in new geographies or exit from existing markets, capacity/ facility creation and location of plants

We have also entered into a memorandum of understanding ("**MoU**") with Government of Chhattisgarh on December 15, 2020 to set up a steel unit in the state Chhattisgarh. Details of the MoU is as follows:

MoU dated December 15, 2020 was signed between the Government of Chhattisgarh ("**State Government**") and Shri Bajrang Steel Corporate Limited ("**SBSCL**") to set up a steel manufacturing unit and the State Government also agreed to provide all help and clearances necessary for the same. Our subsidiary SBSCL has through a letter dated June 29, 2021 requested for amendment to thee MoU and we will decide on the exact scope and implementation schedule of the unit to be set-up once we have clarity on the acceptability of the MoU to the Government of Chhattisgarh.

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the location of plants see "*Our Business*" on page 152.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks and conversion of loans into equity by the Company

There have been no defaults with financial institutions, banks, conversion of loans into equity in relation to our Company.

Except as stated below, there has been no rescheduling of the borrowings by our Company:

Due to macro and micro economic adverse conditions the operating efficiency of our Company was impacted and we had approached the Consortium Lenders for flexible structuring of outstanding amount. The existing term loans amounting to ₹ 5,072.20 million of our Company had been structured under the RBI scheme "Flexible Structuring of Long Term Loan" with the consortium lenders of our Company. Accordingly, the term loan outstanding and maturity portions were rescheduled and consequently the repayment tenor had been enhanced to a period of 15 years without any material change in other terms and conditions. For further details, please see "*Risk Factors – In the Fiscal 2016, the existing term loans of our Company have been structured pursuant to the scheme issued by Reserve Bank of India i.e. "Flexible Structuring of Long Term Loan". Any cash flow mismatch, or restructuring of loans, could adversely affect our profitability and/or operations*", on page 29.

Details regarding material acquisition or divestments of business/undertakings, mergers, amalgamations in last ten year

Except as stated below, our Company has not made or undertaken any material acquisitions or divestments of any business or undertaking, mergers, amalgamation in the last 10 years:

Scheme of amalgamation between our Company and Shri Bajrang Metallics and Power Limited. ("SBMPL")

Pursuant to an order dated November 14, 2011, the High Court of Chhattisgarh sanctioned a scheme of amalgamation under Sections 391 and 394 of the Companies Act 1956, whereby SBMPL was amalgamated into our Company, ("**Scheme**"). The Appointed Date according to the Scheme was April 01, 2008.

Pursuant to the Scheme, the shares held by our Company in SBMPL were cancelled as SBMPL was 100% subsidiary of our Company. Hence, our Company was not required to issue any further shares in the Scheme. The amalgamation was considered as "amalgamation in nature of merger" in terms of Accounting Standard -14 as issued by the Institute of Chartered Accountants. The assets, liabilities and reserves of SBMPL were accounted for as the "the pooling of interests method" as required under the aforesaid accounting standard. The Effective Date of the Scheme was December 7, 2011.

Revaluation of assets

Except as disclosed under "*Revaluation of Financial Assets through Other comprehensive income*" in "*Financial Statements*" on page 230, our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

Our holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries and joint venture

For details with respect to our Subsidiaries and Joint Venture, see "*Our Subsidiaries and Joint Venture*" on page 187.

Guarantees given by our Promoters to third parties with respect to specified securities of our Company

This Issue consist of only fresh Issue of Equity Shares.

Details of Shareholders' agreement

As on date of this Draft Red Herring Prospectus, there are no subsisting shareholders' agreements among our shareholders vis-à-vis our Company.

Agreements with Key Managerial Personnel, Directors, Promoters or any other employee

Neither our Promoters, nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Other material agreements

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners or financial partners, other than in the ordinary course of business.

OUR SUBSIDIARIES AND JOINT VENTURE

Our Company has the following 3 (three) Subsidiaries:

1. IA Hydro Energy Private Limited;

2. Shri Bajrang Energy Private Limited; and

3. Shri Bajrang Steel Corporate Limited.

Details of the Subsidiaries

1. IA Hydro Energy Private Limited ("IAHEPL")

Corporate Information

IAHEPL was registered as a partnership firm on June 18, 2010 as "*M/s I. A. Energy*" under the Partnership Act 1932. Subsequently, it was converted into a private limited company on March 23, 2017 under the Companies Act 2013. The registered office of IAHEPL is situated at D-17, Sector-1 Lane-1, New Shimla, Shimla – 171009.

Nature of Business

IAHEPL is authorised by its memorandum of association *inter alia* to engage in the business of producing, manufacturing, generating, supplying, distributing, transforming, converting and dealing in electricity and all form of energy and any such products and by products derived from such business including without limitation, steam, fuels, ash, conversion of ash into bricks and any products derived from or connected with any other form of energy. It is also authorised to engaged in the business of buying, selling, reselling, exporting and trading of all kinds of goods finished, semi-finished, raw materials items, articles, merchandise, fast-moving consumer goods, products such as agricultural, industrial, chemical or marine, stones, pieces of arts, antiques, handicrafts, machinery, equipments, capital goods. Further, it engaged in the business of acting as an Import and Export house and to perform all the functions and undertake all activities connected therewith including obtaining and dealing in licenses, quotas, certificates and other rights and to carry on the business as manufacturers, dealers, job workers, processors, sellers, retailers, buyers, wholesalers, importers, exporters, traders (online or offline) in pharmaceuticals, pharmaceutical-fine-Chemicals, pharmaceutical products, bulk drugs, intermediates, medicines, allopathic, ayurvedic, homeopathic, unani, patent medicines, lotions, cosmetics, formulations, pills, injection, tablets, capsules, ointments, biological products biotechnological products monoclonal antibodies, genetic, engineering products, tissue culture products, herbs, toiletries, surgical equipment. IAHEPL is currently involved in the business of generating, supplying and distributing electricity.

Capital Structure

Particulars	Aggregate value at face value (₹) (in million)
Authorised share capital (35,000,000 equity shares of ₹10 each)	350.00
Issue, subscribed and paid-up share capital (32,500,000 equity shares of ₹10 each)	325.00

Shareholding Pattern

The shareholding pattern of IAHEPL as on date of this Draft Red Herring Prospectus, is as follows:

Sr. No.	Particulars	No. of equity shares of ₹10 each	Percentage of shareholding (%)
1.	Shri Bajrang Power and Ispat Limited	29,400,000	90.46
2.	Shri Bajrang Energy Private Limited	2,600,000	8.00

Sr. No.	Particulars	No. of equity shares of ₹10 each	Percentage of shareholding (%)
3.	Anand Goel	25,000	0.08
4.	Ashutosh Goel	100,000	0.31
5.	Bajrang Goel	100,000	0.31
6.	Sandeep Goel	100,000	0.31
7.	Pawan Goel	125,000	0.38
8.	Narendra Goel	25,000	0.08
9.	Dinesh Goel	25,000	0.08
Total		**32,500,000**	**100.00**

Power Purchase Agreement

IAHEPL has entered into Power Purchase Agreement ("**PPA**") dated May 21, 2018 with Haryana Power Purchase Centre for sale of power. The PPA is submitted to Haryana Electricity Regulatory Commission on May 22, 2018 for requisite approval as per section 86(1) of the Electricity Act, 2003. For further details, please see "*Risk Factors – The profitability of our power business is dependent on the sale of power at favourable terms. Our financial condition could be adversely affected if the sale of such power can not be continued on favourable terms or at all.*" on page 42.

2. Shri Bajrang Energy Private Limited ("SBEPL")

Corporate Information

SBEPL was incorporated as a public limited company on December 20, 2007 under the Companies Act, 1956 as "*Shri Bajrang Energy Limited*". Subsequently, it was converted into a private limited company and a fresh certificate of incorporation was issued on July 28, 2009 under the Companies Act, 1956. The registered office of SBEPL is situated at Village Borjhara, Guma Road, Urla Growth Center, Raipur – 493221.

Nature of Business

SBEPL is authorised by its memorandum of association to *inter alia* engage in the business of producing, generating, processing, transmitting, distributing, transforming of electrical energy, thermal energy, bio energy, solar energy, hydro power, bio power and other related activities. SBEPL is currently involved in trading of commodity.

Capital Structure

Particulars	Aggregate value at face value (₹) (in million)
Authorised share capital (15,000,000 equity shares of ₹10 each)	150.00
Issue, subscribed and paid-up share capital (252,860 equity shares of ₹10 each)	2.53

Shareholding Pattern

The shareholding pattern of SBEPL as on date of this Draft Red Herring Prospectus, is as follows:

Sr. No.	Particulars	No. of equity shares of ₹10 each	Percentage of shareholding (%)
1.	Shri Bajrang Power and Ispat Limited	201,860	79.83
2.	Suresh Goel	1,750	0.69
3.	Rajendra Goel	9,750	3.86
4.	Narendra Goel	9,750	3.86
5.	Anand Goel	9,750	3.86
6.	Dinesh Goel	5,000	1.98
7.	Sandeep Goel	5,000	1.98

Sr. No.	Particulars	No. of equity shares of ₹10 each	Percentage of shareholding (%)
8.	Shimmer Goel	1,000	0.40
9.	Pawan Goel	3,000	1.19
10.	Bajrang Goel	3,000	1.19
11.	Ashutosh Goel	3,000	1.19
Total		**252,860**	**100.00**

3. Shri Bajrang Steel Corporate Limited ("SBSCL")

Corporate Information

SBSCL was incorporated as a public limited company on November 2, 2020 under the Companies Act, 2013 as "*Shri Bajrang Steel Corporate Limited*". The registered office of SBEPL is situated at Khasra No. 175, Village Borjhara, Urla Guma Road, Raipur – 493 221.

Nature of Business

SBSCL is authorised by its memorandum of association to engage in the business of manufacturing, producing, trading, processing, dealing, distributing all kinds of iron and steel products-ferrous and non-ferrous metals. It is also authorised to engage in the business of electric power generating thermal, hydel, renewable solar, wind, biomass energy, bio gas, coal gas, lights and supply company in all its branches and also use the electric power so generated for captive requirements and to carry on business of trading in power inter-region, interstate and cross border. Further, it is also authorised to carry on the business of manufacturing and compressing oxygen, hydrogen, argon gas, nitrogen gas, carbonic acid, acetylene and any other gases or kindered substance or any compound thereof.

Capital Structure

Particulars	Aggregate value at face value (₹) (in million)
Authorised share capital (10,000,000 equity shares of ₹10 each)	100.00
Issue, subscribed and paid-up share capital (1,000,000 equity shares of ₹10 each)	10.00

Shareholding Pattern

The shareholding pattern of SBSCL as on date of this Draft Red Herring Prospectus, is as follows:

Sr. No.	Particulars	No. of equity shares of ₹10 each	Percentage of shareholding (%)
1.	Shri Bajrang Power & Ispat Limited	999,940	99.99
2.	Aayush Goel*	10	Negligible
3.	Ashutosh Goel*	10	Negligible
4.	Shimmer Goel*	10	Negligible
5.	Bajrang Goel*	10	Negligible
6.	Sandeep Goel*	10	Negligible
7.	Pawan Goel*	10	Negligible
Total		**1,000,000**	**100.00**

** Nominee of Shri Bajrang Power & Ispat Limited*

Our Joint Venture

As of the date of this Draft Red Herring Prospectus, our Company has one joint venture.

Chhattisgarh Captive Coal Mining Private Limited ("CCCMPL")

Corporate Information

CCCMPL was incorporated as a public limited company on December 28, 2005 under the Companies Act, 1956 as "Chhattisgarh Captive Coal Mining Limited" and received certificate of commencement of business dated May 15, 2007. Subsequently, it was converted into a private limited company and a fresh certificate of incorporation was issued on November 25, 2020 under the Companies Act, 1956. The registered office of CCCMPL is situated at Gokulpuram, Kachna Road, Khamardih, Shankar Nagar, Raipur CT Raipur – 492004.

Our Company is one of the joint venture partners in Chhattisgarh Captive Coal Mining Private Limited and our Company owns 19.00% stake in this Joint Venture. The other joint venture partners are: (i) Godawari Power and Ispat Limited ("**GPIL**"); (ii) Ind Synergy Limited ("**IEL**"); (iii) Shree Nakoda Ispat Limited ("**SNIL**"); and, (iv) Vandana Global Limited ("**VGL**").

The Ministry of Coal, Government of India, had *vide* their letter No. 13016 / 3/2005 - CA - I dated January 13, 2006 granted allocation of coal blocks of Nakia I and II, Mandanpur (North) and Madanpur (South) ("the **Coal Block**") jointly to GPIL, SNIL, VGL, ISL and SBPIL for working through a Joint Venture Company ("**JVC**") to meet the coal requirement of all the aforesaid companies, as per the end-use requuirment mentioned in the allocation letter. The parties entered into a Joint Venture Agreement on January 27, 2006, ("**JVA**"), for development and operation of Coal Blocks. This JVA was terminated *vide* Deed of Termination dated June 6, 2006 on account of certain anomalies in allocated quantities of the coal amongst the parties. Subsequently, The Ministry of Coal, Government of India, *vide* their letter No.13016/34/2005- CA-1 dated May 31, 2007, accepted the revised proposal of the JVC and revised the quantities of coal allocated to each of the parties as per the request of the parties. Thus, our Company, GPIL, IEL, SNIL and VGL executed a shareholder's agreement dated August 6, 2007, to develop the allocated Coal Blocks. However, the Coal Block has been de-allocated by the order of the Supreme Court.

Nature of Business

CCCMPL is authorised by its memorandum of association to engage in the business of prospecting, exploring operating and working on mines, quarries and to set, crush, manufacture, process, dig, break, acquire, buy, sell, import in all sorts of present and future ores, minerals, coal, precious and other stones.

Capital Structure

Particulars	**Aggregate value at face value (₹) (in million)**
Authorised share capital (10,000,000 equity shares of ₹10 each)	100.00
Issue, subscribed and paid-up share capital (1,322,273 equity shares of ₹10 each)	13.22

Shareholding Pattern

The shareholding pattern of CCCMPL as on date of this Draft Red Herring Prospectus, is as follows:

Sr. No.	**Particulars**	**No. of equity shares of ₹10 each**	**Percentage of shareholding (%)**
1.	Shri Bajrang Power and Ispat Limited	251,181	19.00
2.	Godawari Power and Ispat Limited	342,824	25.93
3.	Ind Synergy Limited	251,181	19.00
4.	Shree Nakoda Ispat Limited	185,906	14.06
5.	Vandana Global Limited	251,181	19.00
6.	Satish Goel	10,000	0.76
7.	G. P. Agrawal	10,000	0.76
8.	Suresh Goel	10,000	0.76
9.	Virendra Goel	10,000	0.76

Sr. No.	Particulars	No. of equity shares of ₹10 each	Percentage of shareholding (%)
Total		**1,322,273**	**100.00**

Amount of accumulated profits or losses of our Subsidiaries.

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries, that are not accounted for, by our Company

Interest in our Company

None of our Subsidiaries or Joint Venture have any interest in our Company's business other than as stated in "*Our Business*" and "*Financial Statements*" on pages 152 and 230, respectively.

Common Pursuits

Our Subsidiaries are engaged in activities similar to that of our Company or are enabled under their respective memorandums of association, as applicable, to engage in similar activities to that of our Company. Our Company will adopt the necessary measures and practices as permitted by law to address any conflict situation if and when they arise.

Other Confirmations

None of our Subsidiaries are listed on any stock exchange in India or abroad. Further, neither have any of the securities of our Subsidiaries been refused listing by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad.

OUR MANAGEMENT

In terms of the Articles of Association, our Company is authorised to have not less than three Directors and not more than 15 Directors.

As on the date of filing this Draft Red Herring Prospectus, we have ten Directors on our Board, of whom, five are Non-Executive Independent Directors. Of such Non-Executive Independent Directors, two Directors are woman Directors. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details of our Board as of the date of this Draft Red Herring Prospectus:

Sr. No.	Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
1.	**Suresh Goel** **Designation:** Chairman and Executive Director **Date of birth:** May 25, 1950 **Address:** Near Dhebar Gali, Hari Chhaya Shankar Nagar, Raipur – 492007, Chhattisgarh, India **Occupation:** Business **Current term:** For a term of five consecutive years with effect from September 3, 2018 and liable to retire by rotation **Period of directorship:** Since January 25, 2007 **DIN:** 00115834	71	a. Shri Bajrang Agro Processing Limited; b. S. B. Multimedia Private Limited; and c. Shri Bajrang Hydro Energy Private Limited
2.	**Narendra Goel** **Designation**: Managing Director **Date of birth:** October 10, 1959 **Address:** Near Dhebar Gali, Hari Kunj, Shankar Nagar, Raipur- 492007, Chhattisgarh, India **Occupation:** Business **Current term:** For a term of five consecutive years with effect from April 1, 2021 till March 31, 2026 **Period of directorship:** Since December 13, 2003 **DIN:** 00115883	61	a. Shri Bajrang Alliance Limited; b. Chhattisgarh Captive Coal Mining Private Limited; c. S. B. Multimedia Private Limited; d. Madanpur (North) Coal Company Private Limited; e. Shri Bajrang Hydro Energy Private Limited; f. Shri Bajrang Energy Private Limited; g. IA Energy Private Limited; h. Popular Mercantile Private Limited; and i. IA Hydro Energy Private Limited
3.	**Rajendra Goel**	64	a. S. B. Multimedia Private Limited; b. Shri Bajrang Energy Private Limited;

Sr. No.	Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	Designation: Executive Director **Date of birth:** September 20, 1956 **Address:** Gurudwara Road, Hari Kripa Ravi Nagar, Raipur - 492004, Chhattisgarh, India **Occupation:** Business **Current term:** For a term of five years and liable to retire by rotation with effect from June 18, 2021 **Period of directorship:** Since July 25, 2002 **DIN:** 01263958		and c. Shri Bajrang Devcon Private Limited
4.	**Anand Goel** **Designation:** Executive Director **Date of birth:** July 25, 1965 **Address:** Behind Ganesh Temple, Hari Prateek, C-10, Anupam Nagar, Shankar Nagar, Raipur – 492007, Chhattisgarh, India **Occupation:** Business **Current term:** For a term of five consecutive years with effect from September 3, 2018 till September 2, 2023 and liable to retire by rotation **Period of directorship:** Since June 22, 2018 **DIN:** 00796135	55	a. Shri Bajrang Alliance Limited; b. S. B. Multimedia Private Limited; c. Shri Bajrang Agro Processing Limited; d. Bonus Dealcom Private Limited; e. IA Energy Private Limited; and f. Popular Mercantile Private Limited
5.	**Shravan Kumar Goyal** **Designation:** Whole Time Director **Date of birth:** May 30, 1965 **Address:** Flat No- 4C, Block-C, Mallika Merlin Jayashree Vihar, Mandi Road Pandri, Raipur - Chhattisgarh 492004 **Occupation:** Professional **Current term:** For a term of five years with effect from October 1, 2016 to September 30, 2021 **Period of directorship:** Since October 1, 2006	56	NIL

Sr. No.	Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	DIN: 01829618		
6.	**Ravinder Singh Rajput** **Designation:** Independent Director **Date of birth:** December 19, 1959 **Address:** 38, Housing Colony, Phase – 2, PD Lakhanpur, Bilaspur – 174001, Himachal Pradesh. India **Occupation**: Self Employed **Current term:** For a term of five years with effect from June 22, 2018 till June 21, 2023 **Period of directorship:** Since June 22, 2018. **DIN:** 08145449	61	a. IA Hydro Energy Private Limited
7.	**Rakesh Bhargava** **Designation:** Independent Director **Date of birth:** March 21, 1956 **Address:** Block – E1/3c, Sail City, New Pundag, Ranchi – 834004, Jharkhand, India **Occupation**: Service **Current term:** For a term of five years with effect from June 22, 2018 till June 21, 2023. **Period of directorship:** Since June 22, 2018. **DIN:** 06485964	65	NIL
8.	**Anshul Dave** **Designation:** Independent Director **Date of birth:** January 5, 1983 **Address:** 45/176, Edward Road, Sadar Bazar, Raipur - 492001, Chhattisgarh, India **Occupation:** Self Employed **Current term:** For a term of five years with effect from July 24, 2018 till July 23, 2023. **Period of directorship:** Since July 24, 2018.	38	a. Spotlight Vanijya Limited; and b. IA Hydro Energy Private Limited

Sr. No.	Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
	DIN: 05123750		
9.	**Harsha Rungta** **Designation:** Independent Director **Date of birth:** February 17, 1989 **Address:** Plot No. 49/11, Nehru Nagar East, Bhilai – 490020, Chhattisgarh, India **Occupation:** Self employed **Current term:** For a term of five years with effect from March 30, 2021 **Period of directorship:** Since March 30, 2021. **DIN:** 07394723	32	NIL
10.	**Jayata Prakash Agarwal** **Designation:** Independent Director **Date of birth:** February 28, 1984 **Address:** C/O Prakash Agarwal, 58, Govind Marg, Sector-7, Vidyadhar nagar, Jaipur, Rajasthan – 302 039 **Occupation:** Professional **Current term:** For a term of five years with effect from May 13, 2021 **Period of directorship:** Since May 13, 2021. **DIN:** 09168917	37	IA Hydro Energy Private Limited

Brief biographies of Directors

Suresh Goel is the Chairman and Executive Director on our Board and one of the Promoters of our Company. He holds a bachelor degree in Commerce (initial) from PT. Ravishankar Vishwavidyalaya Shukla University. He has been a Director on the Board of our Company since incorporation i.e. July 25, 2002 and had in between resigned for a brief period from the Board of the Company on September 25, 2006 due to his pre-occupation. He was again re-appointed on the Board of the Company with effect from January 25, 2007. He looks after the General Management & Operational aspect for our Company.

Narendra Goel is the Managing Director on our Board and one of the Promoters of our Company. He holds a bachelor degree in Commerce (part I) from the Ravishankar Vishwavidyalaya, Raipur. He has been associated with our Company since December 13, 2003 as Director and was appointed as Managing Director of the Company with effect from March 31, 2006 and has over 17 years of experience in the steel industry. He looks after the organizational developments and finance of our Company. He has also been associated with news channel of Chhattisgarh namely IBC-24.

Rajendra Goel is the Executive Director of our Company. He holds a bachelor degree in Commerce from PT. Ravishankar Shukla University, Raipur. He has been a Director on the Board of our Company since July 25, 2002 and has over 19 years of experience in the steel industry. He looks after banking and finance and tax related matters of our Company.

Anand Goel is the Executive Director of our Company. He holds a bachelor degree in Commerce from PT. Ravishankar Shukla University, Raipur. He joined our Company as a Non-Executive Director since June 22, 2018 and has over 21 years of experience in the Iron & Steel Industry.

Shravan Kumar Goyal is the Whole-Time Director of our Company. He holds a bachelor degree in Electrical Engineering from Rani Durgavati Vishwavidyalaya, Jabalpur. He has been a Director in our Company since October 1, 2006. He looks after pre-feasibility studies and monitoring of upcoming projects, liaising with Government and private agencies and related activities.

Ravinder Singh Rajput is the Independent Director of our Company. He holds a master degree in Science (Organic Chemistry) from Ravishankar University, Raipur. He has been an Independent Director in our Company since June 22, 2018. He has over 2 years of experience in Iron & Steel Manufacturing Industry.

Rakesh Bhargava is the Independent Director of our Company. He holds a bachelor degree in Science (Engineering) from Regional Engineering College, Rourkela (Orissa). He was appointed as CEO of Bokaro Power Supply Company Limited in September 2012. Later in December 2014, he was also posted in Mozambique by International Coal Ventures Private Limited. He was also associated with Steel Authority of India Limited. In January 2018, he was appointed as a Country Director of Powergen Developers. He has been an Independent Director in our Company since June 22, 2018. He has over 9 years of experience in Iron & Steel Manufacturing Industry.

Anshul Dave, is the Independent Director of our Company. He holds a bachelor degree in of Commerce from PT Ravishankar Shukla University and is also a qualified Chartered Accountant. In addition, he holds a certificate from Thomson Tax & Accounting, Mircomash, USA, in Accounting for Investments in Debt and Equity Securities. He has 10 years of experience in handling accounts and finance. Previously, he has worked with Deloitte & Touche Assurance & Enterprise Risk SVCS (I) Private Limited as Audit Senior Assistant and with Spandana Sphoorty Financial Limited as Manager – Accounts. He has been an Independent Director in our Company since July 24, 2018.

Harsha Rungta is the Independent Director of our Company. She holds a bachelor’s degree in Commerce from Rashtrasant Tukadoji Maharaj, Nagpur University and diploma in Interior Design from Annamalai University. She also holds a master’s degree in Business Administration from The International University, Vienna, Austria. She was working as director with GDR Educational Society. She has been an Independent Director in our Company since March 30, 2021.

Jayata Prakash Agarwal is the Independent Director of our Company. She holds a bachelor’s degree in law from Rashtrasant Tukadoji Maharaj, Nagpur University. She is a member of Bar Council of Maharashtra and Goa. She is also an associate member of the Institute of Company Secretaries of India. She has been an Independent Director in our Company since May 13, 2021.

Confirmations

None of our Director is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the Stock Exchanges, during the term of their directorship in such Company.

None of our Directors are, or were, directors of any listed company which has been or was delisted from any stock exchanges.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company

Relationships between our Directors and Key Managerial Personnel

Other than Suresh Goel, Rajendra Goel, Narendra Goel and Anand Goel, who are brothers and Sandeep Goel our Chief Financial Officer who is son of Suresh Goel and nephew of Rajendra Goel, Narendra Goel and Anand Goel, none of our Directors are relatives (as defined under the Companies Act, 2013) of each other or of any other Key Managerial Personnel.

Arrangement or understanding with major shareholders, customers, suppliers or others.

None of our Directors have been nominated, appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

As per the Articles of Association of our Company, the Board is authorised to exercise all the powers of the Company to borrow money, subject to the provisions of the Articles of Association and the Companies Act.

The shareholders of our Company, through a resolution passed at the Extra Ordinary General Meeting dated January 21, 2015, authorised our Board to borrow money at all or any time from banks, financial institutions or any other lenders on such terms and conditions as the Board may consider suitable, up to ₹ 20,000 million, notwithstanding that the monies to be borrowed together with the monies already borrowed by our Company by the way of loans (apart from temporary loans obtained by our Company in the ordinary course of business) will exceed the aggregate of the paid up capital of our Company and its free reserves.

Terms of appointment of our Directors

a. Terms of appointment of our Executive Directors

1. Suresh Goel

Suresh Goel has been a Director on the Board of our Company since July 25, 2002 and had in between resigned for a brief period from the Board of the Company on September 25, 2006 due to his pre-occupation. He was again re-appointed on the Board of the Company with effect from January 25, 2007. Our Board of Directors in its meeting held on September 2, 2018 and our shareholders in the Annual General Meeting dated September 3, 2018 approved the re-appointment of Suresh Goel as a Chairman and Executive Director for a term of five consecutive years and liable to retire by rotation with effect from September 3, 2018. He was paid a remuneration of ₹ 10.40 million in Fiscal 2021.

Our Board and the Shareholders, pursuant to resolutions dated April 8, 2021 and May 8, 2021, respectively, have approved the following remuneration payable to him:

Particulars	Terms of remuneration (₹ in million)
Basic Salary	7.20
Perquisites and benefits	House rent allowance: 3.60 Medical allowance: 1.80 Conveyance allowance: 1.80

2. Narendra Goel

Narendra Goel has been a Director on the Board of our Company since December 13, 2003 as Director and was appointed as Managing Director of the Company with effect from March 31, 2006. Our Board of Directors in its meeting held on March 23, 2021 approved the re-appointment of Narendra Goel as our Managing Director for the period of five years with effect from April 1, 2021 to March 31, 2026 subject to approval of shareholders in upcoming general meeting. He was paid a remuneration of ₹ 10.40 million in Fiscal 2021.

Our Board and the Shareholders, pursuant to resolutions dated March 23, 2021 and May 8, 2021, respectively, have approved the following remuneration payable to him:

Particulars	Terms of remuneration (₹ in million)
Basic Salary	7.20
Perquisites and benefits	House rent allowance: 3.60 Medical allowance: 1.80 Conveyance allowance: 1.80

3. Rajendra Goel

Rajendra Goel has been a Director on the Board of our Company since July 25, 2002. He was reappointed as an Executive Director of our Company pursuant to a Board resolution dated June 15, 2021 and Shareholders' resolution dated June 18, 2021 for a period of five consecutive years liable to retire by rotation. He was paid a remuneration of ₹ 10.40 million in Fiscal 2021.

Our Board and the Shareholders, pursuant to resolutions dated April 8, 2021 and May 8, 2021, respectively, have approved the following remuneration payable to him:

Particulars	Terms of remuneration (₹ in million)
Basic Salary	7.20
Perquisites and benefits	House rent allowance: 3.60 Medical allowance: 1.80 Conveyance allowance: 1.80

4. Anand Goel

Anand Goel has been a Director on the Board of our Company since June 22, 2018. He was reappointed as an Executive Director of our Company pursuant to a Board resolution dated September 2, 2018 and Shareholders' resolution dated September 3, 2018 for a term of five consecutive years with effect from September 3, 2018 till September 2, 2023 and liable to retire by rotation. He was paid a remuneration of ₹ 10.40 million in Fiscal 2021.

Our Board and the Shareholders, pursuant to resolutions dated April 8, 2021 and May 8, 2021, respectively, have approved the following remuneration payable to him:

Particulars	Terms of remuneration (₹ in million)
Basic Salary	7.20
Perquisites and benefits	House rent allowance: 3.60 Medical allowance: 1.80 Conveyance allowance: 1.80

5. Shravan Kumar Goyal

Shravan Kumar Goyal has been associated with our Company since October 1, 2006. He was reappointed as a Whole Time Director of our Company pursuant to a Board resolution dated August 23, 2016 and Shareholders' resolution dated September 30, 2016 for the period of five years with effect from October 1, 2016 to September 30, 2021. He was paid a remuneration of ₹ 2.50 million in Fiscal 2021.

Our Board and the Shareholders, pursuant to resolutions dated April 8, 2021 and May 8, 2021, respectively, have approved the following remuneration payable to him:

Particulars	Terms of remuneration (₹ in million)
Basic Salary	1.50
Perquisites and benefits	House rent allowance: 0.75 Medical allowance: 0.37 Conveyance allowance: 0.38

b. Compensation to Non- Executive Directors and Independent Directors:

Pursuant to the Board resolution dated April 8, 2020, our Non-Executive Directors and Independent Directors are entitled to receive sitting fees from ₹ 0.05 million up to ₹ 0.15 million for attending meetings of the Board and committees of our Board, within the limits prescribed under the Companies Act, 2013, and the rules made thereunder.

The details of remuneration paid to our Non-Executive Directors and Non-Executive Independent Directors during Fiscal 2021 are as follows:

Sr. No.	Name of Director	Remuneration paid (₹ in million)
1.	Hema Thakur*	0.05
2.	Hemendra Nath**	0.15
3.	Ravindra Singh Rajput	0.10
4.	Rakesh Bhargava	0.10
5.	Anshul Dave	0.10
6.	Harsha Rungta***	Nil
7.	Jayata Prakash Agarwal***	Nil

**Resigned from the Board of Directors of our Company with effect from April 5, 2021.*
***Resigned from the Board of Directors of our Company with effect from May 13, 2021.*
****Appointed in the current Fiscal 2022, and accordingly were not paid any remuneration in Fiscal 2021*

Payments or benefits to Directors

Except as disclosed under "– *Terms of appointment of our Directors – Terms of appointment of our Executive Directors*" on page 197, our Company has not entered into any contract appointing or fixing the remuneration of a Director, whole-time Director, or manager in the two years preceding the date of this Draft Red Herring Prospectus.

Our Company has not paid any commission or granted any amount or benefit on an individual basis to any of our Directors other than the sitting fees / remuneration paid to them for such period.

Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our Directors

Our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

Remuneration from our Subsidiaries

Below are the details of remuneration paid to our Directors by our Subsidiaries during Fiscal 2021:

Name of the Subsidiary	Name of the Director	Remuneration paid
IA Hydro Energy Private Limited	Ravindra Singh Rajput	25,000.00
	Anshul Dave	25,000.00

Shareholding of Directors in our Company.

As per our Articles of Association, our Directors are not required to hold any qualification shares.

The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Name of Director	Number of Equity Shares	Percentage of the pre-Issue paid up share capital (%)	Percentage of the post-Issue paid up share capital (%)
Rajendra Goel	5,07,500	0.97	[●]
Anand Goel	6,74,850	1.29	[●]
Narendra Goel	5,60,500	1.07	[●]
Total	**17,42,850**	**3.33**	**[●]**

Our Articles of Association does not require our Directors to hold any qualification shares.

Shareholding of Directors in our Subsidiaries.

Except as stated below, none of our Directors hold any equity shares in our Subsidiaries

Details of equity shares held in IAHEPL:

Name of Shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
Anand Goel	25,000	0.08
Narendra Goel	25,000	0.08

Details of equity shares held in SBEPL:

Name of Shareholder	No. of equity shares of ₹10 each	Percentage of total equity holding (%)
Suresh Goel	1,750	0.69
Rajendra Goel	9,750	3.86
Narendra Goel	9,750	3.86
Anand Goel	9,750	3.86

Interest of Directors

All our Directors may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration, commission and reimbursement of expenses, if any, payable to them or their relatives by our Company. For further details, see "*Financial Statements*" on page 230.

Our Directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them directly or through their respective HUFs and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For further details regarding the shareholding of our Directors, see "*– Shareholding of Directors in our Company*" on page 199.

Some of our Directors hold positions as directors on the board of directors of our Subsidiaries. In consideration for these services, they may be paid managerial remuneration in accordance with the provisions of the applicable law.

All the Directors may be deemed to be interested in the contracts, agreements / arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

Except, the agreements to sale vis-à-vis certain land which was entered into between the Company and certain Individual Promoters namely Suresh Goel, Anand Goel and Narendra Goel and their relatives namely, Neeta Goel, Bajrang Goel and Aruna Goel for which advance was paid by our Company, which were subsequently cancelled on

June 28, 2021 and purchase agreement dated January 1, 2021 between our Company and S.B. Multimedia Private Limited, member of the Promoter Group for certain parcel of lands, our Promoters does not have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, or other such transaction.

Except as disclosed below our Promoters do not have any direct or indirect interest in the properties that our Company has taken on lease:

Our Company has entered into an agreement with Narendra Goel dated April 1, 2019 for purchase of dolomite for a period of five years. The price of dolomite is agreed to be decided mutually with regards to market conditions, ruling raw material and packing material rates, labour, power, transport cost etc. Further, our Company has entered into a rent agreement with Shravan Kumar Goyal on November 1, 2020 for the premises situated at Flat No. A104, 1st Floor, Vrindavan Garden, Daldalseoni, Raipur, Chhattisgarh. Our Company has entered into a Sale Purchase Agreement with Shri Jainarayan Hariram Goel Charitable Trust dated April 1, 2019 for sale of ice brick by our Company. For further details, see "*Financial Statements*" on page 230.

There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Issue.

As on the date of this Draft Red Herring Prospectus, except for Suresh Goel, Rajendra Goel, Narendra Goel and Anand Goel, who are Promoters of our Company, none of our other Directors are interested in the promotion or formation of our Company. For further details, see "*Our Promoters and Promoter Group*" on page 212.

Except as disclosed below and as stated in "*Financial Statements*" on page 230 and to the extent of the shareholding of our Directors in our Company and our Subsidiaries, none of our Directors have any other interest in our business or our Company:

Bajrang Goel, son of Narendra Goel, is the Chief Accounts Officer of our Company and he was paid a remuneration of ₹ 6.50 million during Fiscal 2021.

Sandeep Goel, son of Suresh Goel, is the Chief Financial Officer of our Company and he was paid a remuneration of ₹ 7.80 million during Fiscal 2021.

Ashutosh Goel, son of Anand Goel, is Head (Mechanical) of our Company and he was paid a remuneration of ₹ 6.50 million during Fiscal 2021.

Aayush Goel, son of Anand Goel, is Head (Electrical) of our Company and he was paid a remuneration of ₹ 6.50 million during Fiscal 2021.

Sarla Goel, wife of Suresh Goel, is an employee of our Company and she was paid a remuneration of ₹ 3.32 million during Fiscal 2021.

Aruna Goel, wife of Narendra Goel, is an employee of our Company and she was paid a remuneration of ₹ 3.32 million during Fiscal 2021.

Neeta Goel, wife of Rajendra Goel, is an employee of our Company and she was paid a remuneration of ₹ 3.32 million during Fiscal 2021.

Kiran Goel, wife of Anand Goel, is an employee of our Company and she was paid a remuneration of ₹ 3.32 million during Fiscal 2021.

Other confirmations

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our

Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Date of appointment change/cessation	Reason for change
Anshul Dave	July 24, 2018	Appointment as an Additional director (Independent)
Hari Anant Ghanekhar	September 2, 2018	Resignation due to indifferent health condition and personal reasons
Harsha Rungta	March 30, 2021	Appointment as an Additional Director (Independent)
Hema Thakur	April 05, 2021	Resignation due to pre occupation
Jayata Prakash Agarwal	May 13, 2021	Appointment as an Additional Director (Independent)
Hemendra Nath	May 13, 2021	Resignation due to pre occupation

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

Committees of our Board of Directors

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following committees of the Board of directors:

(a) Audit Committee;
(b) Nomination and Remuneration Committee
(c) Stakeholders' Relationship Committee;
(d) Corporate Social Responsibility Committee; and
(e) Risk Management Committee.

For purposes of the Offer, our Board has also constituted an IPO Committee.

Audit Committee

The current constitution of the Audit Committee is as follows:

Name of the Director	Position in the Committee	Designation
Anshul Dave	Chairman	Independent Director
Jayata Prakash Agarwal	Member	Independent Director
Anand Goel	Member	Executive Director

The Audit Committee was last re-constituted by a resolution of our Board dated June 15, 2021. The constitution, scope and function of the Audit Committee are in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations.

The terms of reference of the Audit Committee include:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

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

A. Role of Audit Committee

The role of the Audit Committee shall include the following:

1. oversight of the Company financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company;

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c)of sub-section (3) of Section 134 of the Companies Act, 2013;

   b) changes, if any, in accounting policies and practices and reasons for the same

   c) major accounting entries involving estimates based on the exercise of judgment by management;

   d) significant adjustments made in the financial statements arising out of audit findings;

   e) compliance with listing and other legal requirements relating to financial statements;

   f) disclosure of any related party transactions;

   g) modified opinion(s) in the draft audit report;

5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

8. approval or any subsequent modification of transactions of the listed entity with related parties

9. scrutiny of inter-corporate loans and investments;

10. valuation of undertakings or assets of the listed entity, wherever it is necessary;

11. evaluation of internal financial controls and risk management systems;

12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. discussion with internal auditors of any significant findings and follow up there on;

15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. to review the functioning of the whistle blower mechanism;

19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Review the following information:

    (a) management discussion and analysis of financial condition and results of operations;
    (b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
    (c) management letters / letters of internal control weaknesses issued by the statutory auditors;
    (d) internal audit reports relating to internal control weaknesses;
    (e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to
    (f) review by the Audit Committee; and
    (g) statement of deviations;

21. reviewing the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on date;

22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

23. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

24. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

25. recommend the appointment, removal and fixing of remuneration of cost auditors and secretarial auditors; and

26. carrying out any other function as specified by the Board from time to time.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

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

Nomination and Remuneration Committee

The current constitution of the Nomination and Remuneration Committee is as follows:

Name of the Director	Position in the Committee	Designation
Ravinder Singh Rajput	Chairman	Independent Director
Rakesh Bhargava	Member	Independent Director
Harsha Rungta	Member	Independent Director

The Nomination and Remuneration committee was last re-constituted by a resolution of our Board dated June 15, 2021. The constitution, scope and function of the Nomination and Remuneration Committee are in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee include:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

2. formulation of criteria for evaluation of performance of independent directors and the board of directors;

3. devising a policy on diversity of board of directors;

4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;

5. whether to extend or continue the term of appointment of independent director, on the basis of the report of performance evaluation of independent director;

6. recommend to the board, all remuneration, in whatever form payable to senior management

Stakeholders Relationship Committee

The current constitution of the Stakeholders Relationship Committee is as follows:

Name of the Director	Position in the Committee	Designation
Anshul Dave	Chairman	Independent Director
Jayata Prakash Agarwal	Member	Independent Director
Anand Goel	Member	Executive Director

The Stakeholders' Relationship Committee was reconstituted by a resolution of our Board dated June 15, 2021. The constitution, scope and function of the Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee include:

a. resolving the grievances of the security holders of the listed entity including complaints related to transfer of securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meeting etc.;

b. review of measures taken for effective exercise of voting rights by shareholders;

c. reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;

d. reviewing the various measures and initiatives undertaken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and

e. carrying out any other function contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as and when amended from time to time.

Corporate Social Responsibility Committee

The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of the Director	Position in the Committee	Designation
Harsha Rungta	Chairperson	Independent Director
Jayata Prakash Agarwal	Member	Independent Director
Shravan Kumar Goyal	Member	Whole-time Director

The Corporate Social Responsibility Committee was last re-constituted by our Board at its meeting held on June 15, 2021 in accordance with Section 135 of the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;

2. To review and recommend the amount of expenditure to be incurred on the activities referred to in clause 1;

3. To monitor the CSR policy of the Company from time to time;

4. To recommend / review CSR projects / programmes / proposals, falling within the purview of Schedule VII of the Companies Act, 2013;

5. To assist the Board of Directors to formulate strategies on CSR initiatives of the Company;

6. To institute a transparent monitoring mechanism for implementation of the Corporate Social Responsibility projects or programs or activities undertaken by the Company;

7. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Risk Management Committee

The current constitution of the Risk Management Committee is as follows:

Name of the Director	Position in the Committee	Designation
Anand Goel	Chairman	Executive Director
Anshul Dave	Member	Independent Director
Rajendra Goel	Member	Executive Director

The Risk Management Committee was constituted by our Board at its meeting held on June 15, 2021 in accordance with requirements of the Securities and Exchange Board of India Act, 1992, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act 2013, as amended. The terms of reference of the Risk Management Committee include the following:

1. To formulate a detailed risk management policy which shall include:

    a. a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

    b. measures for risk mitigation including systems and processes for internal control of identified risks;

    c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the board of directors informed about the nature and content of its discussion, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;

7. Any other matter as the Risk Management Committee may deem appropriate after approval of the board of directors or as may be directed by the board of directors from time to time

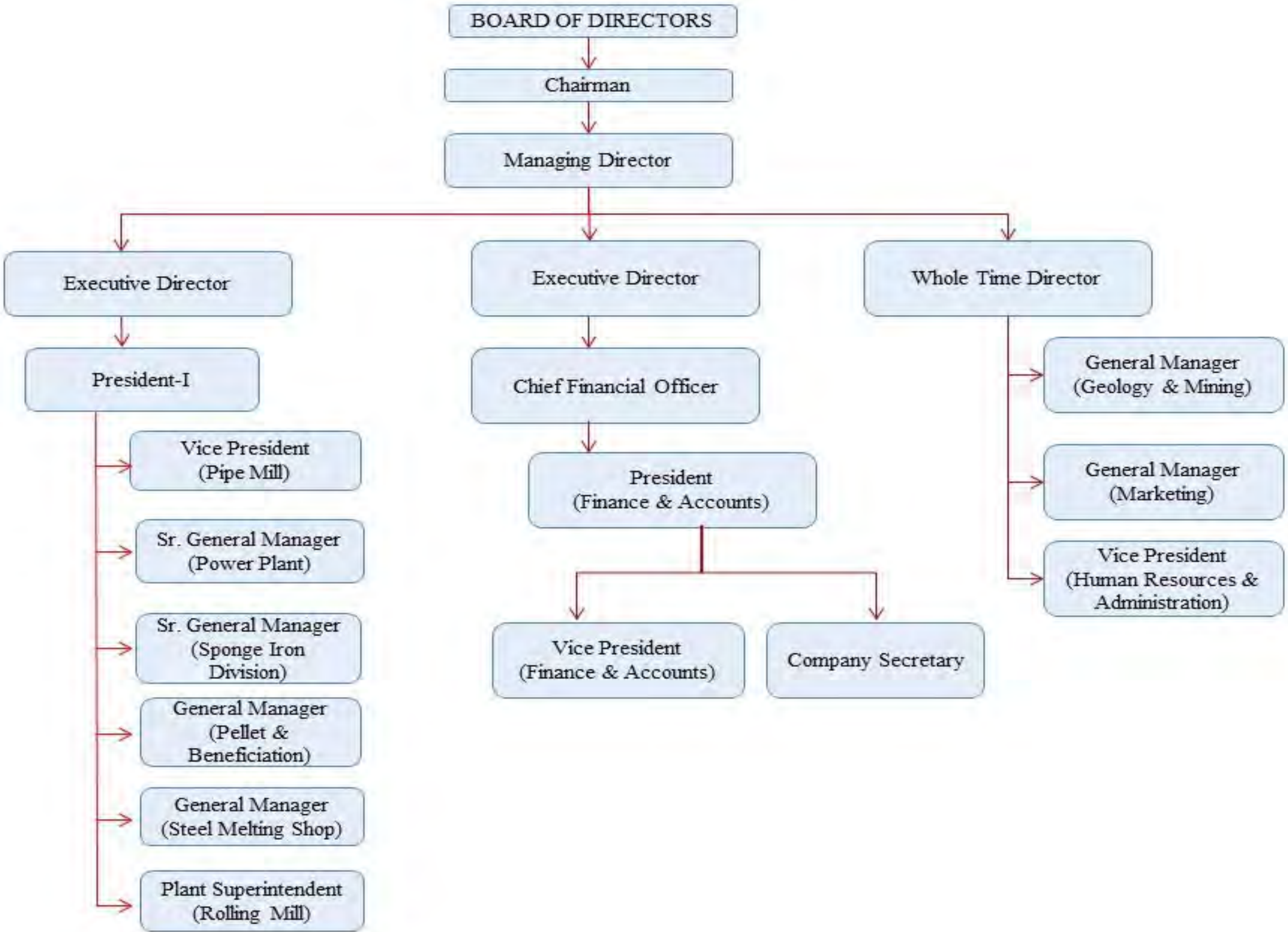
IPO Committee

The members of the IPO Committee are:

Name of the Director	**Position in the Committee**	**Designation**
Anshul Dave	Chairman	Independent Director
Anand Goel	Member	Executive Director
Narendra Goel	Member	Managing Director
Harsha Rungta	Member	Independent Director
Jayata Prakash Agarwal	Member	Independent Director

The IPO Committee was re-constituted by a meeting of our Board held on June 15, 2021.

Management Organisation Chart



Key Managerial Personnel

In addition to Narendra Goel, our Managing Director, Shravan Kumar Goyal, our Whole Time Director, Suresh Goel, Rajendra Goel, Anand Goel, Executive Directors whose details are provided in "*–Brief Profiles of our Directors*" above, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

Sandeep Goel, is Chief Financial Officer our Company. He holds a bachelor degree in Commerce Part I from University of Delhi. He has been associated with our Company since September 4, 2018. He has over 3 years of experience in the field of accounts and finance. He was paid a remuneration of ₹ 7.80 million during Fiscal 2021.

Parul Verma, is Company Secretary and Compliance Officer of our Company. She is a qualified company secretary. She has been associated with our Company since July 8, 2015. She has over 5 years of experience as a company secretary. She is responsible for coordination of meetings of the board and shareholders of our Company, incorporation of new companies and special purpose vehicles, secretarial work, and liaising with the statutory and regulatory authorities. She was paid a remuneration of ₹ 0.68 million during Fiscal 2021.

Senior Management Personnel

Srinivasan Manoharan is the President (Finance and Accounts) of our Company. He holds a bachelor degree in law degree from Mangalore University, post graduate diploma in personnel management, industrial relations and labour welfare awarded by the Coimbatore Productivity Council, Coimbatore. He holds a master degree in Philosophy from Annamalai University. He was appointed as the President of our Company with effect from November 19, 2009. Prior to joining our Company, he served as assistant general manager at Lakshmi Vilas Bank Limited, Bangalore. He has also worked as assistant personnel manager with Syndicate Bank. He is responsible for finance and legal. He was paid a remuneration of ₹ 1.86 million during Fiscal 2021.

Netrananda Thatoi is the President (Projects) of our Company. He has been associated with our Company since December 13, 2019. He holds a degree in Mechanical Engineering from The Institution of Engineers (India). He is responsible for execution and project. He was paid a remuneration of ₹ 2.77 million during Fiscal 2021.

Ashok Kumar Harlalka is the Vice President (Finance and Accounts) of our Company. He has been associated with our Company since March 1, 2004. He is a qualified Chartered Accountant. He is responsible for Finance and accounts. He was paid a remuneration of ₹ 1.16 million during Fiscal 2021.

Pradeep Tiwari is the Vice President (Admin) of our Company. He holds a post graduate diploma in business administration from Institute of Productivity & Management, Ghaziabad. He was appointed as the Vice President (HR and Admin) of our Company with effect from August 1, 2013. He is responsible for HR and administration. He was paid a remuneration of ₹ 1.79 million during Fiscal 2021.

Bhag Singh is the Plant Superintendent (Rolling Mills) of our Company. He holds a bachelor's degree in Arts (Part 1) from Guru Nanak Dev University. He was appointed as the General Manager of our Company with effect from June 5, 2008. He is responsible for production of Goel TMT products He was paid a remuneration of ₹ 3.84 million during Fiscal 2021.

Dushmanta Kumar Mahanta is the General Manager (Geology and Mining) of our Company. He holds a bachelor degree in Geology from D.D. College, Utkal University and master's degree in Science (Geology) from Utkal University. He was appointed as the General Manager (Geology and Mining) of our Company with effect from November 17, 2020. Prior to joining our Company, he was working as Additional General Manager (Geology) with Rungta Mines Limited and Ferro Alloys Corporation Limited. He is responsible for Mining section. He was paid a remuneration of ₹ 0.67 million during Fiscal 2021.

Sanjay Kambhoj is the General Manager (Sales & Marketing) of our Company. He holds a master degree in Business Administration (Part –II) from Barkatullah University, Bhopal. He was appointed as the general manager of our Company with effect from April 1, 2010. He is responsible for marketing. He was paid a remuneration of ₹ 1.52 million during Fiscal 2021.

Banwari Lal Chopda is the Vice-President of our Company. He holds a bachelor's degree in Science from Rajasthan University. Prior to joining our Company, he was working as unit-head, Large Dia pipe with Tata Steel BSL Limited. He was appointed in our Company with effect from April 12, 2019. He is responsible for Pipe mill.

He was paid a remuneration of ₹ 2.79 million during Fiscal 2021.

Chanchal Kumar Pathak is the Senior General Manager (Power Plant) of our Company. He is an Associate Member of The Institution of Engineers (India). He holds a degree in Boilers Operations Engineers from Government of West Bengal, Directorate of Boilers, West Bengal. He was appointed in our Company with effect from January 2, 2019. Prior to joining our Company, he was working as Senior Manager (Captive Power Plant) with Bharat Oman Refineries Limited. He is responsible for Power plant. He was paid a remuneration of ₹ 2.26 million during Fiscal 2021.

Trinath Swain is the Senior General Manager (SID) of our Company. He holds a bachelor's degree in Science from Utkal University. He is an associate member of The Indian Institute of Metals. He was appointed in our Company with effect from July 1, 2014. Prior to joining our Company, he was working as Vice President with S.A.L. Steel Limited. He is responsible for Sponge Iron Division (SID). He was paid a remuneration of ₹ 1.60 million during Fiscal 2021.

Pampapathi J. Hubballi, is the General Manager (Pellet and Beneficiation) of our Company. He holds a master's degree in Technology from Gulbarga University. He was appointed in our Company with effect from January 2, 2012. Prior to joining our Company, he was working with Ingwenya Mineral Operations Private Limited He was paid a remuneration of ₹ 1.60 million during Fiscal 2021.

Vikas Banchhor, is the General Manager (Steel Melting Shop) of our Company. He holds a diploma in Metallurgy from Madhya Pradesh Board of Technical Education, Bhopal. He was appointed in our Company with effect from September 1, 2003. He was paid a remuneration of ₹ 1.19 million during Fiscal 2021.

Relationships among Key Managerial Personnel with Directors

Other than Suresh Goel, Rajendra Goel, Narendra Goel and Anand Goel, who are brothers and Sandeep Goel our Chief Financial Officer who is son of Suresh Goel, none of our Directors are relatives (as defined under the Companies Act, 2013) of each other or of any other Key Managerial Personnel.

Arrangements and understanding with major shareholders

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Changes in the Key Managerial Personnel in last three years

Except as specified in "– *Changes to our Board in the last three years*" on page 202 and as provided below, there have been no changes in the Key Managerial Personnel in the last three years:

Name of the KMP	Date of change	Reason for change
Pawan Goel, Chief Financial Officer	September 4, 2018	Resignation
Sandeep Goel, Chief Financial Officer	September 4, 2018	Appointment

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

Status of Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel are permanent employees of our Company.

Retirement and termination benefits

Our Key Managerial Personnel have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

Shareholding of the Key Managerial Personnel and Senior Management Personnel

Except as stated below, none of our Key Managerial Personnel and Senior Management Personnel hold any Equity Shares in our Company:

Name of the Key Managerial Personnel and Senior Management Personnel	Number of Equity Shares	Pre-Issue Shareholding (%)	Percentage of the post-Issue of Equity Share Capital (%)
Sandeep Goel	5,73,950	1.10	[●]

Contingent and deferred compensation payable to Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2021, which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel

Our Company has no profit-sharing plan in which the Key Managerial Personnel participate. Our Company makes bonus payments to our Key Managerial Personnel, in accordance with their terms of appointment.

Interest of Key Managerial Personnel

Our Key Managerial Personnel (other than our Managing Director, Whole-time Director, Executive Directors) are interested in our Company only to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Our Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company and/or related party transaction entered into by Company in the ordinary course of business with the entities where they are shareholder.

Employee stock option plan

Our Company has also adopted an employee stock option plan. For details of the ESOP 2021 and the stock options held by our Key Managerial Personnel that may be granted to them from time to time under ESOP 2021, see "*Capital Structure-Employee Stock Option Plan*" on page 86.

OUR PROMOTER AND PROMOTER GROUP

Our Promoters

As on the date of this Draft Red Herring Prospectus, the Promoters of our Company are Suresh Goel, Rajendra Goel, Narendra Goel, Anand Goel, Atlanta Securities Private Limited and Banka Finance & Securities Private Limited.

As on date of this Draft Red Herring Prospectus, the Promoters, in aggregate, hold 18,214,374 Equity Shares in our Company, representing 34.84% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share capital held by our Promoters*" on page 74.

A. Details of our individual Promoters are as follows:

Suresh Goel

Suresh Goel, aged 71 years, is one of our Promoters and is also the Chairman and Executive Director on our Board. For the complete profile of Suresh Goel, i.e., his date of birth, personal address, educational qualifications, professional experience, positions / posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" on page 192.

His permanent account number is ACZPG8045N. His aadhar card number is [redacted] As on the date of this Draft Red Herring Prospectus, he does not have a driving license.

Rajendra Goel

Rajendra Goel, aged 64 years, is one of our Promoters and is also the Executive Director on our Board. For a complete profile of Rajendra Goel, i.e., his date of birth, personal address, educational qualifications, professional experience, positions / posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" on page 192.

His permanent account number is ACZPG8043L. His aadhar card number is [redacted] As on the date of this Draft Red Herring Prospectus, he does not have a driving license.

Narendra Goel

Narendra Goel, aged 61 years, is one of our Promoters and is also the Managing Director on our Board. For a complete profile of Narendra Goel, i.e., his date of birth, personal address, educational qualifications, professional experience, positions / posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" on page 192.

His permanent account number is ACZPG8042M. His aadhar card number is [redacted] His driving license number is CG 17 19800001686.

Anand Goel

Anand Goel, aged 55 years, is one of our Promoters and is also the Executive Director on our Board. For a complete profile of Anand Goel, i.e., his date of birth, personal address, educational qualifications,

professional experience, positions / posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" on page 192.

His permanent account number is AHDPG5613K. His aadhar card number is [redacted] As on the date of this Draft Red Herring Prospectus, he does not have a driving license.

Our Company confirms that the permanent account numbers, bank account number(s) and the passport number of each of our Promoter shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

B. Details/ history of our corporate Promoters are as follows:

1. Atlanta Securities Private Limited ("ASPL")

Corporate Information and history

ASPL was incorporated on August 9, 1995 under the Companies Act, 1956 as a private limited company with CIN U67120CT1995PTC007618. The registered office of ASPL is located at KH. No. 177, Village Borjhara, Urla Guma Road, Urla Growth Centre, Raipur – 493221, Chhattisgarh.

ASPL is registered with RBI under the registration number B-03.00188 to carry on the business of non-banking financial institution without accepting public deposits.

Promoters of ASPL

The following are the promoters of ASPL:

1. Aruna Goel;
2. Sandeep Goel;
3. Pawan Goel;
4. Aayush Goel;
5. Swastik Mercantiles Limited;
6. Shimmer Investments Private Limited;
7. Banka Finance & Securities Private Limited; and
8. Shri Bajarang Ispat and Plywood Limited.

Brief details of corporate promoters of ASPL

Sr. No.	Corporate promoters of ASPL	Directors of corporate promoter of ASPL
1.	Swastik Mercantiles Limited	a) Dinesh Goel b) Sarla Goel c) Bajrang Goel
2.	Shimmer Investments Private Limited	a) Kiran Goel b) Shimmer Goel
3.	Banka Finance & Securities Private Limited[(1)]	a) Sandeep Goel b) Pawan Goel
4.	Shri Bajarang Ispat and Plywood Limited	a) Vikash Khedia b) Bajrang Goel c) Pawan Goel

[(1)] *There are no individuals holding 15% or more of the voting rights in any corporate promoter of ASPL except, Girish Chandra Satish Chandra Jain, who holds 19.05 % in Banka Finance & Securities Private Limited.*

Board of directors of ASPL

As on the date of this Draft Red Herring Prospectus, following are the directors on the board of directors of ASPL:

Sr. No.	Name	Designation
1.	Sandeep Goel	Director
2.	Pawan Goel	Director

Change in Control

Except as described below, there has been no change in control or management of ASPL in the three years immediately preceding the filing of the Draft Red Herring Prospectus:

i. On March 10, 2021, Mahesh Kumar Agarwal and Prahlad Singhal resigned as directors of ASPL.
ii. On March 9, 2021, Sandeep Goel and Pawan Goel were appointed as directors of ASPL.

Shareholding Pattern

Set forth below is the shareholding pattern of ASPL as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of shareholder	No. of equity shares	Percentage of shareholding (%)
1.	Swastik Mercantiles Limited	131,000	18.89
2.	Shimmer Investments Private Limited	131,000	18.89
3.	Banka Finance & Securities Private Limited	137,200	19.78
4.	Shri Bajarang Ispat and Plywood Limited	131,000	18.89
5.	Suresh Goel	109,750	15.82
6.	Suman Goel	36,250	5.23
7.	Aruna Goel	4,605	0.66
8.	Sandeep Goel	4,605	0.66
9.	Pawan Goel	4,105	0.59
10.	Aayush Goel	4,105	0.59
	Total	**693,620**	**100.00**

2. Banka Finance & Securities Private Limited ("BFSPL")

Corporate information and history

BFSPL was incorporated on February 20, 1995 under the Companies Act, 1956 as a private limited company with CIN U67120CT1995PTC007619. The registered office of BFSPL is located at KH. No. 178, Village Borjhara, Urla Guma Road, Urla Growth Centre, Raipur – 493221, Chhattisgarh.

BFSPL is registered with RBI under the registration number B-03.00184 to carry on the business of non-banking financial institution without accepting public deposits.

Promoters of BFSPL

The following are the promoters of BFSPL:

1. Rajendra Goel;
2. Aayush Goel;
3. Shimmer Goel;
4. Suresh Goel & Sons HUF;
5. Rajendra Goel & Sons HUF;
6. Narendra Goel & Sons HUF;
7. Anand Goel & Sons HUF;
8. Dinesh Goel & Son HUF;
9. Sandeep Goel & Son HUF;
10. Bajrang Goel & Sons HUF;
11. Pawan Goel & Sons HUF;
12. Atlanta Securities Private Limited;
13. Swastik Mercantiles Limited;

14. Shimmer Investments Private Limited; and
15. Shri Bajarang Ispat and Plywood Limited.

Brief details of corporate promoters of BFSPL

Sr. No.	Corporate promoters of BFSPL	Directors of corporate promoter of BFSPL
1.	Atlanta Securities Private Limited	a) Sandeep Goel b) Pawan Goel
2.	Swastik Mercantiles Limited	a) Dinesh Goel b) Sarla Goel c) Bajrang Goel
3.	Shimmer Investments Private Limited	a) Kiran Goel b) Shimmer Goel
4.	Shri Bajarang Ispat and Plywood Limited	a) Vikash Khedia b) Bajrang Goel c) Pawan Goel

There are no individuals holding 15% or more of the voting rights in any corporate promoter of BFSPL.

Board of directors of BFSPL

As on the date of this Draft Red Herring Prospectus, following are the directors on the board of directors of BFSPL:

Sr. No.	Name	Designation
1.	Sandeep Goel	Director
2.	Pawan Goel	Director

Change in Control

There has been no change in control or management of BFSPL in the three years immediately preceding the filing of the Draft Red Herring Prospectus.

Shareholding Pattern

Set forth below is the shareholding pattern of BFSPL as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of shareholder	No. of equity shares	Percentage of shareholding (%)
1.	Swastik Mercantiles Limited	133,600	18.85
2.	Shimmer Investments Private Limited	136,900	19.31
3.	Girish Chandra Satish Chandra Jain	135,000	19.05
4.	Shri Bajarang Ispat and Plywood Limited	136,000	19.19
5.	Atlanta Securities Private Limited	132,800	18.74
6.	Suresh Goel	25,660	3.62
7.	Suman Goel	8,540	1.21
8.	Rajendra Goel & Sons (HUF)	10	Negligible
9.	Narendra Goel & Sons (HUF)	10	Negligible
10.	Anand Goel & Sons (HUF)	10	Negligible
11.	Dinesh Goel & Sons (HUF)	10	Negligible
12.	Sandeep Goel & Sons (HUF)	10	Negligible
13.	Bajrang Goel & Sons (HUF)	10	Negligible
14.	Pawan Goel & Sons (HUF)	10	Negligible
15.	Suresh Goel & Sons (HUF)	10	Negligible
16.	Rajendra Goel	10	Negligible
17.	Aayush Goel	5	Negligible
18.	Shimmer Goel	5	Negligible
	Total	**708,600**	**100.00**

Our Company confirms that the permanent account numbers, bank account number(s) and company registration number of ASPL and BFSPL along with the address of the registrar of companies where ASPL and BFSPL are registered shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Change in management and control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Interest of Promoters

Our Promoters are interested in our Company to the extent that they are the Promoters of our Company and to the extent of their respective shareholding directly or indirectly along with that of their relatives in our Company, their directorship in our Company (where applicable) and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company or the shareholding of their relatives in our Company. For further details of our Promoters' shareholding, see "*Capital Structure*" on page 68. For further details of interest of our Promoters in our Company, see "*Financial Statements*" on page 230.

Our Promoters are also interested in our Company to the extent of their shareholding in our Subsidiaries and Group Companies, Promoter Group with which our Company transacts during the course of its operations. For more details, please see "*Related Party Transactions*" on page 228.

Suresh Goel, Rajendra Goel, Narendra Goel and Anand Goel may also be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, sitting fees and commission payable to them as Directors on our Board. For further details, see "*Our Management*" on page 192.

Our Promoters are also interested to the extent of other remuneration, commission and reimbursement of expenses, payable to them and their relatives by our Company. For further details, see "*Financial Statements*" on page 230.

Except, the agreements to sale vis-à-vis certain land which was entered into between the Company and certain Individual Promoters namely Suresh Goel, Anand Goel and Narendra Goel and their relatives namely, Neeta Goel, Bajrang Goel and Aruna Goel for which advance was paid by our Company, which were subsequently cancelled on June 28, 2021 and purchase agreement dated January 1, 2021 between our Company and S.B. Multimedia Private Limited, member of the Promoter Group for certain parcel of lands, our Promoters does not have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, or other such transaction. For further details, see "*Financial Statements*" on page 230.

Except as disclosed below our Promoters do not have any direct or indirect interest in the properties that our Company has taken on lease:

Our Company has entered into an agreement with Narendra Goel dated April 1, 2019 for purchase of dolomite for a period of five years. The price of dolomite is agreed to be decided mutually with regards to market conditions, ruling raw material and packing material rates, labour, power, transport cost etc. Further, our Company has entered into a rent agreement with Shravan Kumar Goyal on November 1, 2020 for the premises situated at Flat No. A104, 1st Floor, Vrindavan Garden, Daldalseoni, Raipur, Chhattisgarh. Our Company has entered into a Sale Purchase Agreement with Shri Jainarayan Hariram Goel Charitable Trust dated April 1, 2019 for sale of ice brick by our Company. For further details, see "*Financial Statements*" on page 230.

No sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our individual Promoters to become, or qualify them as a director, or otherwise for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Some of the entities forming part of our Promoter Group including have objects similar to that of our Company, however, none of the entities forming part of our Promoter Group except Shri Bajrang Alliance Limited are currently pursuing any business activities similar to that of our Company. Accordingly, as on the date of this Draft Red Herring Prospectus, except Shri Bajrang Alliance Limited, there are no common pursuits among any of the entities forming part of our Promoter Group and our Company. Our Company would adopt necessary measures and practises as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

Payment or benefits to our Promoters or our Promoter Group

Except as disclosed herein and as stated in "*Financial Statements*" on page 230, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on June 30, 2021:

Name of the member of the Promoter Group	Remuneration paid from April 1, 2021 to June 30, 2021 (₹ in million)
Pawan Goel	2.25
Sandeep Goel	3.00
Bajrang Goel	2.25
Ashutosh Goel	2.25
Aayush Goel	2.25
Shimmer Goel	1.50
Sarla Goel	1.20
Aruna Goel	1.20
Neeta Goel	1.20
Kiran Goel	1.20
Suman Goel	1.20

The remuneration to the Individual Promoters is being paid in accordance with their respective terms of appointment.

Litigations involving our Promoters

Except as disclosed under "*Outstanding Litigation and Material Developments*" on page 307, there is no litigation or legal and regulatory proceedings involving our Promoters as on the date of this Prospectus.

Companies or firms with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company or firm in the last three years preceding the date of this Draft Red Herring Prospectus.

Experience of our Promoter in the business of our Company

For details in relation to experience of our Promoter in the business of our Company, see "*Our Management*" on page 192.

Material Guarantees

Our Promoter has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

Our Promoter Group

In addition to our Promoters, individual and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Individuals forming part of the Promoter Group:

The individuals forming a part of our Promoter Group are as follows:

Name of the Promoter	Name of relative	Relationship
Suresh Goel	Sarla Goel	Spouse
	Rajendra Goel	Brother

Name of the Promoter	Name of relative	Relationship
	Narendra Goel	Brother
	Anand Goel	Brother
	Prem Lata Singhal	Sister
	Dinesh Goel	Son
	Sandeep Goel	Son
	Smita Arya	Daughter
	Santosh Mangla	Spouse's Sister
Rajendra Goel	Neeta Goel	Spouse
	Suresh Goel	Brother
	Narendra Goel	Brother
	Anand Goel	Brother
	Prem Lata Singhal	Sister
	Pawan Goel	Son
	Kavita Bansal	Daughter
	Shweta Rajivkumar Bansal	Daughter
	Satish Kumar Singhal	Spouse's Brother
	Asha Bansal	Spouse's Sister
	Anju Bansal	Spouse's Sister
	Sarita Gupta	Spouse's Sister
	Aruna Gupta	Spouse's Sister
	Nirmal Gupta	Spouse's Sister
	Urmila Devi Agarwal	Spouse's Sister
Narendra Goel	Aruna Goel	Spouse
	Suresh Goel	Brother
	Rajendra Goel	Brother
	Anand Goel	Brother
	Prem Lata Singhal	Sister
	Bajrang Goel	Son
	Archit Goel	Son
	Nikita Agarwal	Daughter
	Ramlal Agarwal	Spouse's Brother
	Shyam Lal Agarwal	Spouse's Brother
Anand Goel	Kiran Goel	Spouse
	Suresh Goel	Brother
	Rajendra Goel	Brother
	Narendra Goel	Brother
	Prem Lata Singhal	Sister
	Ashutosh Goel	Son
	Aayush Goel	Son
	Ram Gopal Khedia	Spouse's Father
	Gayatri Devi Khedia	Spouse's Mother
	Krishan Kumar Khedia	Spouse's Brother

Entities forming part of the Promoter Group:

The entities forming a part of our Promoter Group are as follows:

Sr. No.	Particulars
1.	Swastik Mercantiles Limited
2.	Shri Bajarang Ispat and Plywood Limited
3.	Sukanya Merchandise Private Limited
4.	Bonus Dealcom Private Limited
5.	Shimmer Investments Private Limited
6.	S.B. Multimedia Private Limited
7.	IA Energy Private Limited
8.	Shri Bajrang Hydro Energy Private Limited
9.	Onward Promoters Private Limited

Sr. No.	Particulars
10.	Tatkal Dealcom Private Limited
11.	Shri Bajrang Devcon Private Limited
12.	Priority Construction Private Limited
13.	Shri Bajrang Alliance Limited
14.	Shri Bajrang Agro Processing Limited
15.	Popular Mercantile Private Limited
16.	Shri Bajrang Chemical Distillery Limited
17.	Kalpataru Properties Pvt. Ltd.

Hindu Undivided Families forming part of the Promoter Group

The Hindu Undivided Families forming part of our Promoter Group are as follows:

Sr. No.	Particulars
1.	Jainarayan Hariram Goel & Sons (HUF)
2.	Suresh Goel & Sons (HUF)
3.	Rajendra Goel & Sons (HUF)
4.	Narendra Goel & Sons (HUF)
5.	Anand Goel & Sons (HUF)
6.	Dinesh Goel & Sons (HUF)
7.	Sandeep Goel & Sons (HUF)
8.	Bajrang Goel & Sons (HUF)
9.	Pawan Goel & Sons (HUF)

Partnership firms forming part of the Promoter Group

The partnership firms forming a part of our Promoter Group are as follows:

Sr. No.	Particulars
1.	M/s. Bajrang Rice Mills
2.	M/s. Shri Bajrang Commodity
3.	M/s. Hariram Goel & Co.
4.	M/s. Suresh Goel & Bros
5.	M/s. Hariram Goel & Sons

OUR GROUP COMPANIES

Pursuant to a resolution dated June 15, 2021, our Board has noted that in accordance with the SEBI ICDR Regulations and for the purpose of disclosure in this Draft Red Herring Prospectus, group companies of our Company shall include (i) the companies (other than the corporate Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Information during any of the last three Fiscals; or (ii) such other company (other than the Corporate Promoters and Subsidiaries) as deemed material by our Board.

In terms of the materiality policy, our Board has identified following companies as our group companies ("**Group Companies**"):

1. Shri Bajrang Alliance Limited;

2. S. B. Multimedia Private Limited;

3. Shimmer Investments Private Limited;

4. Shri Bajarang Ispat and Plywood Limited; and

5. Shri Bajrang Agro Processing Limited.

A. Details of our Group Companies

The details of Shri Bajrang Alliance Limited, which is a listed entity and other four Group Companies are as follows:

1. Shri Bajrang Alliance Limited ("SBAL")

Corporate Information

SBAL was originally incorporated on August 16, 1990 as '*Shri Bajrang Alloys Limited*', a public limited company under the Companies Act, 1956 and received a certificate for commencement of business on November 7, 1990. Subsequently, on November 21, 2019, the name of SBAL was changed to '*Shri Bajrang Alliance Limited*' pursuant to fresh certificate of incorporation upon change of name issued by Registrar of Companies, Chhattisgarh. The registered office of SBAL is situated at 521/C, Urla Industrial Complex, Urla, Raipur – 493221, Chhattisgarh, India.

The corporate identity number of SBAL is L27103CT1990PLC005964. The equity shares of SBAL are listed on BSE (scrip code – 526981).

Nature of Business

SBAL is authorized under its memorandum of association, *inter alia*, to engage in the business of manufacturing, producing, dealing, stocking, distributing, import and export of sponge iron and pig iron and all other kinds of ferrous as well as non-ferrous metals, all sizes of iron steel re-rolled sections and other related activities. SIPL is also authorised to carry on the business of manufacturing, trading, processing all kind of food and beverages, dairy and farm products. Further, it is also authorized to manufacture, produce, fabricate design, develop, process, assemble and deal in all shapes, sizes, specifications, gauges, thickness, dimensions and varieties of aluminium or any products in which aluminium is used.

Interest of our Promoters

Sr. No.	Name of shareholders	No. of shares of face value ₹ 10 each.	Percentage of total shareholding (%)
1.	Narendra Goel	6,32,700	7.03
2.	Anand Goel	3,49,469	3.88
3.	Rajendra Goel	2,09,900	2.33
4.	Suresh Goel	67,800	0.75

Source: BSE Limited

Other than as disclosed hereinabove, our Promoters, Narendra Goel and Anand Goel are also directors on the board of SBAL and may be deemed to be interested in SBAL to that extent of fees, if any, payable to them for attending meetings of the board or a committee thereof as well as to the extent of other remuneration or reimbursement of expenses payable to them. Further, our individual Promoters, namely Narendra Goel, Anand Goel, Rajendra Goel and Suresh Geol have voting interest in SBAL on the shares held by them through their respective HUFs where they are karta.

Financial Information

The financial information derived from the audited standalone financial statements of SBAL for last three Fiscals, are set forth below:

(Figures in ₹ million except per share data)

Particulars	**For the year ended March 31**		
	2021	**2020**	**2019**
Equity Capital	90.00	90.00	90.00
Reserves and Surplus	372.51	299.00	291.93
Total revenue	2,140.58	1,712.91	1,570.00
Profit / (loss) after tax	21.75	8.24	14.37
Basic EPS	2.42	0.92	1.60
Diluted EPS	2.42	0.92	1.60
Net asset value	1,532.44	1,172.94	1,034.60
Net asset value per share	47.77	39.47	38.68

Significant notes of auditors of SBAL for last three Fiscals.

Except for the Fiscal Year 2019 as disclosed below, there are no significant notes by auditors of SBAL in relation to the aforementioned financial statements for the three immediately preceding Fiscal Years:

- **Emphasis of Matters** - SBAL has not made provision for its trade receivables which is outstanding since long amounting to ₹47.58 million.

Share Price Information

The following table provides details of the highest and lowest price on BSE during the preceding six months:

(Figures in ₹)

Sr. No.	**Month**	**Monthly high**	**Monthly low**
1.	June 2021	323.65	235.00
2.	May 2021	231.55	151.30
3.	April 2021	196.45	139.70
4.	March 2021	169.95	101.10
5.	February 2021	100.00	62.50
6.	January 2021	84.65	66.50

Source: www.bseindia.com

2. S.B. Multimedia Private Limited ("SBMMPL")

Corporate information

SBMMPL was originally incorporated on May 26, 2006, as '*Shri Krishna Mining Corporation Limited*', a public limited company under the Companies Act, 1956 and received a certificate for commencement of business on January 18, 2007. Subsequently, a fresh certificate of incorporation was issued pursuant to change of name and conversion of public limited company into private limited company with effect from February 22, 2008. The registered office of SBMMPL is situated at 1st Floor, Aarson Motors, Lodhipara Chowk, Raipur – 492001, Chhattisgarh, India.

The corporate identity number of SBMMPL is U13100CT2006PTC20001

Nature of business

SBMMPL is authorized under its memorandum of association, *inter alia*, to carry on the business of advertising, event media & print media and other related activities.

Interest of our Promoters

The shareholding of our Promoters in SBMMPL is as follows:

Sr. No.	Name of shareholders	No. of shares of face value ₹ 10 each.	Percentage of total shareholding (%)
1.	Banka Finance & Securities Private Limited	5,20,000	14.57
2.	Narendra Goel	2,07,575	5.81
3.	Suresh Goel	1,27,475	3.57
4.	Anand Goel	7,475	0.21
5.	Rajendra Goel	5,475	0.15

Other than as disclosed hereinabove, our individual Promoters, Narendra Goel, Anand Goel, Rajendra Goel and Suresh Goel are also directors on the board of SBMMPL and may be deemed to be interested in SBMPL to that extent of fees, if any, payable to them for attending meetings of the board or a committee thereof as well as to the extent of other remuneration or reimbursement of expenses payable to them. Further, our individual Promoters, namely Narendra Goel, Anand Goel, Rajendra Goel and Suresh Goel have additional voting interest in SBMMPL on the shares held by them through their respective HUFs where they are karta.

Financial Information

The financial information derived from the audited financial statements of SBMMPL for last three Fiscals, are set forth below:

(Figures in ₹ million except per share data)

Particulars	For the year ended March 31		
	2021	2020	2019
Equity Capital	35.70	35.70	35.70
Reserves and Surplus	113.31	107.57	120.03
Total revenue	323.01	311.26	569.36
Profit / (loss) after tax	5.74	(12.46)	107.48
Basic EPS	1.61	(3.49)	30.11
Diluted EPS	1.61	(3.49)	30.11
Net asset value	149.01	143.27	155.73
Net asset value per share	41.74	40.13	43.62

Significant notes of auditors of SBMMPL for last three Fiscals

There are no significant notes of the auditors in relation to the aforementioned financial statements.

3. Shimmer Investments Private Limited ("SIPL")

Corporate Information:

SIPL was incorporated on April 13, 1992 as '*Shimmer Investments Private Limited*', a private limited company under the Companies Act, 1956. The registered office of SIPL is situated at New Timber Market, Fafadih Raipur - 492001, Chhattisgarh, India.

The corporate identity number of SIPL is U52100CT1992PTC007074.

Nature of business

SIPL is authorized under its memorandum of association, *inter alia*, to carry on the business of production, manufacturing, trading of all kinds of iron and steel. SIPL is also authorised to purchase for investment or resale land, house and other property of any tenure and to sell and deal in freehold and leasehold land ground.

Interest of our Promoters

The shareholding of our Promoters in SIPL is as follows:

Sr. No.	Name of shareholders	No. of shares of face value ₹ 10 each.	Percentage of total shareholding (%)
1.	Atlanta Securities Private Limited	118,000	19.83

None of our Promoters are directors on the board of SIPL. Further, our individual Promoters, namely Narendra Goel, Rajendra Goel and Suresh Geol have additional voting interest in SIPL on the shares held by them through their respective HUFs where they are karta.

Financial Information

The financial information derived from the audited financial statements of SIPL for last three Fiscals, are set forth below:

(Figures in ₹ million except per share data)

Particulars	For the year ended March 31		
	2021	2020	2019
Equity Capital	5.95	5.95	5.95
Reserves and Surplus	54.58	51.72	49.49
Total revenue	923.35	1198.82	11.94
Profit / (loss) after tax	2.85	2.23	0.18
Basic EPS	4.80	3.75	0.30
Diluted EPS	4.80	3.75	0.30
Net asset value	60.53	57.67	55.44
Net asset value per share	101.73	96.92	93.18

Significant notes of auditors of SIPL for last three Fiscals

There are no significant notes of the auditors in relation to the aforementioned financial statements.

4. Shri Bajarang Ispat and Plywood Limited ("SBIPL")

Corporate Information:

SBIPL was originally incorporated on February 22, 1996, as a '*Shri Bajrang Ispat Limited*', a public limited company under the Companies Act, 1956 and received a certificate for commencement of business on April 30, 1996. Subsequently, on June 8, 1998, the name of SBIPL was changed to '*Shri Bajarang Ispat and Plywood Limited*' pursuant to a fresh certificate of incorporation upon change of name issued by Registrar of Companies, Maharashtra, at Mumbai. The registered office of SBIPL is situated at 808/A, C Wing One BKC, G Block BKC, Bandra East, Mumbai 400050, Maharashtra, India.

The corporate identity number of SBIPL is U27100MH1996PLC097544.

Nature of business

SBIPL is authorized under its memorandum of association, *inter alia*, to carry on the business of manufacturing and allied activities of all kinds of iron and steel products.

Interest of our Promoters

The shareholding of our Promoters in SBIPL is as follows:

Sr. No.	Name of shareholders	No. of shares of face value ₹ 10 each.	Percentage of total shareholding (%)
1.	Atlanta Securities Private Limited	2,65,100	14.45

2.	Suresh Goel	100	0.01
3.	Anand Goel	61,900	3.38
4.	Rajendra Goel	33,700	1.84
5.	Narendra Goel	700	0.04

None of our Promoters are directors on the board of SBIPL. Further, our individual Promoters, namely Narendra Goel, Anand Goel, Rajendra Goel and Suresh Geol have additional voting interest in SBIPL on the shares held by them through their respective HUFs where they are karta.

Financial Information

The financial information derived from the audited financial statements of SBIPL for last three Fiscals, are set forth below:

(Figures in ₹ million except per share data)

Particulars	**For the year ended March 31**		
	2021	**2020**	**2019**
Equity Capital	18.34	18.34	18.34
Reserves and Surplus	28.48	27.72	26.81
Total revenue	28.94	16.11	8.40
Profit / (loss) after tax	0.76	0.91	(0.35)
Basic EPS	0.41	0.50	(0.04)
Diluted EPS	0.41	0.50	(0.04)
Net asset value	46.82	46.06	45.15
Net asset value per share	25.53	25.11	24.62

Significant notes of auditors of SBIPL for last three Fiscals.

There are no significant notes of the auditors in relation to the aforementioned financial statements.

5. Shri Bajrang Agro Processing Limited ("SBAPL")

Corporate information

SBAPL was originally incorporated on July 27, 2005, as '*Shri Bajrang Coal and Power Limited*' a public limited company under the Companies Act, 1956 and received a certificate of commencement of business on March 27, 2008. Subsequently, on April 21, 2009, the name of SBAPL was changed to '*Shri Bajrang Steel and Power Limited*' pursuant to a fresh certificate of incorporation upon change of name issued by Registrar of Companies, Madhya Pradesh and Chhattisgarh. Further, on May 1, 2019, the name of SBAPL was changed to its present name '*Shri Bajrang Agro Processing Limited*' pursuant to a certificate of incorporation upon change of name issued by Registrar of Companies, Chhattisgarh. The registered office of SBAPL is situated at Kh. No. 151/1, Village Borjhara, Guma Road, Urla Growth Center, Raipur - 493221, Chhattisgarh, India.

The corporate identity number of SBAPL is U15100CT2005PLC017828.

Nature of business

SBAPL is authorized under its memorandum of association, *inter alia*, to carry on the business of manufacturing, developing, trading, processing, distributing, storing all kinds of food and beverages, dairy, farms products. SBAPL is also authorized to carry on the business of manufacturing, fabricating, processing and dealing in commodities of all or any drugs medicine, herbals, medical plants and all kinds of cosmetics. It is also authorized to manufacture and deal in molasses and non-molasses ethanol, to deal in all kinds of alcohol, beer, ale, porter, stout, wines, spirit.

Further, it is also authorized to produce and manufacture all and any types of iron and steel and produce, generate, process, distribute, dispose off, utilize electrical energy, thermal energy., bio-energy, solar energy, hydro power, bio gas, coal gas, natural gas, hydrogen gas, steam water gas, methane gas, petroleum gas and fuel gas.

Interest of our Promoters

The shareholding of our Promoters in SBAPL is as follows:

Sr. No.	Name of shareholders	No. of shares of face value ₹ 10 each.	Percentage of total shareholding (%)
1.	Anand Goel*	10	0.02
2.	Rajendra Goel*	10	0.02
3.	Suresh Goel*	10	0.02
4.	Narendra Goel*	10	0.02

**Nominee of Shri Bajrang Alliance Limited*

Other than as disclosed hereinabove, our Individual Promoters namely, Anand Goel and Suresh Goel are also directors in SBAPL and may be deemed to be interested in SBAPL and may be deemed to be interested in SBAPL to that extent of fees, if any, payable to them for attending meetings of the board or a committee thereof as well as to the extent of other remuneration or reimbursement of expenses payable to them.

Financial Information

The financial information derived from the audited financial statements of SBAPL for last three Fiscals, are set forth below:

(Figures in ₹ million except per share data)

Particulars	For the year ended March 31		
	2021	2020	2019
Equity Capital	0.50	0.50	0.50
Reserves and Surplus	(1.78)	(1.84)	(0.35)
Total revenue	0.30	33.21	0.10
Profit / (loss) after tax	0.06	(1.48)	0.01
Basic EPS	1.15	(29.69)	0.29
Diluted EPS	1.15	(29.69)	0.29
Net Asset Value	(1.28)	(1.34)	0.15
Net asset value per share	(25.59)	(26.73)	2.95

Significant notes of auditors of SBAPL for last three Fiscals

Except as disclosed below, there are no significant notes by auditors of SBAPL in relation to the aforementioned financial statements for the three immediately preceding Fiscal Years:

Emphasis of Matters

Fiscal Year 2020 -– The financial statement has been prepared on ‘Going Concern Basis’ though accumulated losses had been exceeded more than its net worth.

Fiscal Year 2019 – The financial statement has been prepared on ‘Going Concern Basis’ through accumulated losses had been exceeded more than 50% of its net worth.

i. **Litigation involving our Group Companies**

Our Group Companies are not party to any pending litigations which will have a material impact on our Company.

ii. **Group Companies that have become sick or under winding up / insolvency proceedings**

Our Group Companies do not fall under the definition of sick companies under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985 and are not under any winding up or insolvency proceedings under applicable law.

iii. **Loss-making Group Companies**

Details of the losses made by our Group Companies in the last three Fiscal Years is as follows:

(In ₹ million)

Sr. No.	Name of the Group Company	Profit/(loss) after tax		
		As on March 31, 2021	As on March 31, 2020	As on March 31, 2019
1.	S. B. Multimedia Private Limited	5.74	(12.46)	107.48
2.	Shri Bajarang Ispat and Plywood Limited	0.76	0.91	(0.35)
3.	Shree Bajrang Agro Processing Limited	0.06	(1.48)	0.01

iv. **Defunct Group Companies**

There are no defunct Group Companies and no application has been made to the respective registrar of companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of this Draft Red Herring Prospectus with SEBI.

v. **Nature and Extent of Interest of Group Companies**

(a) In the promotion of our Company

Except as disclosed under "*Related Party Transactions*" on page 228, none of our Group Companies have any interest in the promotion of our Company.

(b) In the properties acquired or proposed to be acquired by our Company in the past three years before filing this Draft Red Herring Prospectus with SEBI

Except SBMMPL, none of our Group Companies are interested in the properties acquired by our Company in the three years preceding the date of filing of this Draft Red Herring Prospectus or proposed to be acquired.

(c) In transactions for acquisition of land, construction of building and supply of machinery

Except as disclosed under "*Related Party Transactions*" on page 228, none of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

vi. **Common Pursuits among the Group Companies and our Company**

Except for the fact that a) some of our Group Companies are, by their memorandum of association, authorized to engage in similar line of business dealt by our Company or engaged in activities similar to that of our Company, b) Our Promoters and members of Promoter Group are also members and promoters of some of our Group Companies and c) Some of our Directors and KMPs hold directorships in some of our Group Companies, there are no common pursuits between the Group Companies and our Company.

vii. **Related business transactions within the Group Companies and significance on the financial performance of our Company**

Other than the transactions disclosed in the section "*Financial Statements*" on page 230, there are no other related business transactions with our Group Companies.

viii. **Business Interest of Group Companies in our Company**

Except as disclosed below and in "*Related Party Transactions*" on page 228, none of our Group Companies have any business interest in our Company:

ix. **Other Confirmations**

Except SBAL, which is listed on BSE, none of the Group Companies are listed.

None of our Group Companies has been refused listing of any of their securities during the last ten years by any of the stock exchanges in India or abroad and have not failed to meet the listing requirements of any stock exchange in India or abroad and no penalty, including, suspension of trading has been imposed by such stock exchanges.

Our Group Companies have not made any public or rights issue (including any rights issue to the public) in the three years preceding the date of this Draft Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

The details of the related party disclosures, as per the requirements under Ind AS 24 "*Related Party Disclosures*" specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act are stated in "*Financial Statements – Restated Financial Information –Related Parties Disclosures*" on page 263.

DIVIDEND POLICY

The declaration and payment of 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 distribution policy of our Company was approved and adopted by our Board at its meeting dated June 15, 2021.

Declaration of dividend, if any, will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the year and profit available for distribution, working capital requirements, business expansion and growth, additional investment in subsidiaries, cost of borrowing, economic environment, capital markets, and other factors considered by our Board of Directors. In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" on page 275. The Articles of Association also provides discretion to our Board to declare and pay interim dividends.

Our Company has not declared any dividends in: (i) the last three Fiscals and (ii) the period between April 01, 2021 and the date of filing this Draft Red Herring Prospectus.

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of SEBI Listing Regulations and other applicable laws and terms and conditions of the financing documents. Our Company may pay dividend by cheque, electronic clearance service, as will be approved by our Board in the future. Our Company may also, from time to time, pay interim dividends.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]

Independent Auditors' Examination Report on the restated consolidated Ind AS summary statements of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 and restated consolidated ind AS summary statement of profits and losses (including other comprehensive income), restated consolidated Ind AS summary statement of cash flows and restated consolidated Ind AS summary statement of changes in equity, the consolidated summary statement of significant accounting policies, and other explanatory information for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, of Shri Bajrang Power and Ispat Limited (collectively, the "Restated Financial Statements").

To,

The Board of Directors
Shri Bajrang Power and Ispat Limited
Village Borjhara, Urla Industrial Area,
Raipur (C.G)-493221

Dear Sirs,

1. We have examined the attached Restated Financial Statements of Shri Bajrang Power and Ispat Limited (the "**Company**") annexed to this report and prepared by the Company for the purpose of inclusion in the offer documents ("**Offer Documents**") in connection with its proposed Initial Public Offer ("**IPO**"). The Restated Financial Statements, which have been approved by the Board of Directors of the Company at their meeting held on July 12, 2021 have been prepared in terms of the requirements of the relevant provisions of the:

   a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Act**");

   b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("**SEBI ICDR Regulations**");

   c. the guidance notes on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("**ICAI**"), (the "**Guidance Note**").

Management's Responsibility for the Restated Financial Statements

The preparation of the Restated Financial Statements is the responsibility of the management of the Company. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The management is also responsible for identifying and ensuring that the Company complies with the SEBI ICDR Regulations.

2. We have examined such Restated Financial Statements taking into consideration:

a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated June 01, 2021, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

b. the Guidance Note on Reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India ("**ICAI**") as amended from time to time (the "**Guidance Note**") which include the concept of test checks and materiality. This Guidance note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements. The Guidance Note also requires that we comply with the ethical requirements of the code of Ethics issued by the ICAI; and

c. The requirements of Section 26 of the Act and the SEBI ICDR Regulations.

3. The Company proposes to make an IPO which comprises of fresh issue of its equity shares of ₹ 10 each at such premium arrived at by the book building process (referred to as the **"Issue"**), as may be decided by the Company's Board of Directors.

4. The Restated Financial Statements have been compiled by the management of the Company from:

a. the audited consolidated financial statements of the Company as at and for the year ended March 31, 2021, March 31, 2020 and 2019 have been prepared under Indian Accounting Standards ("**Ind AS**") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act and which have been approved by the Board of Directors at their meetings held on June 15, 2021, June 30, 2020, May 28, 2019.

b. We did not audit the financial statements of the three subsidiaries and one joint venture for the period ended March 31, 2021 and two subsidiaries and one joint venture for the period ended March 31, 2020 and March 31, 2019. These financial statements have been audited by another firm of Chartered Accountants, whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in these Restated Financial Statements are based solely on the report of other auditor.

c. The financial information in relation to the Company's Subsidiaries and Joint venture as listed below, which are audited by the other auditors and included in the Restated Financial Statements:

Name of the entity	**Name of the audit Firm**	**Relationship of the entity with the Company**	**Audit for Period (Financial Year)**
Shri Bajrang Energy Private Limited	R D N A and Co LLP Singhania& Associates	Subsidiary	2018-2019 to 2020- 2021
SB Power (Partnership Firm)	PSA Jain and Co.	Firm (treated as Subsidiary)	2018-2019 to 2020- 2021
Shri Bajrang Steel Corporate Limited	R. Malu & associates	Subsidiary	2020-21
Chhattisgarh Captive Coal Mining Limited	R D N A and Co LLP	Joint Venture	Unaudited Financial Statement for Fiscal 2020-21 have been certified by management and our opinion, in so far as it relates to the amounts included in these Restated Financial Statements, are based solely on the representation of the management.

These financial statements have been audited by other firms of Chartered Accountants as mentioned above, whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in these Restated Financial Statements are based solely on the report of such other auditors.

Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Statements:

- have been made after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for the reporting periods;
- have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
- do not contain any extra-ordinary items that need to be disclosed separately in the Restated Financial Statements;
- there were no qualifications in the auditors' reports on the audited consolidated financial statements of the Company as at March 31, 2021, March 31, 2020 and March 31, 2019 hence no adjustment is required to the Restated Financial Statements.
- do not contain any exceptional items that need to be disclosed separately in the Restated Financial Statements.
- have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note.

5. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2021. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as of any date or for any period subsequent to March 31, 2021.

6. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us nor should it be construed as a new opinion on any of the financial statements referred to therein.

7. The Restated Financial Statements do not reflect the effects of events that occurred subsequent to the audited financial statements mentioned in paragraph 4 above.

8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

9. Our report is intended solely for use of the management for inclusion in the Offer Document to be filed with SEBI, Stock Exchanges and ROC in connection with the Issue. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For S S S D & Co
Chartered Accountants
Firm Registration Number: 020203C

Gaurav Ashok Baradia
Partner
Membership Number: 164479
Place: Raipur

Date: July 12th, 2021

SHRI BAJRANG POWER AND ISPAT LIMITED
CIN : U27106CT2002PLC015184
Restated Consolidated Ind AS Summary Statements of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019

(Amount in ₹ Million)

Particulars	Note No.	As At 31.03.2021	As At 31.03.2020	As At 31.03.2019
I. ASSETS				
(1) Non-current Assets				
(a) Property, Plant & Equipment	3	**15,203.50**	14,880.69	14,134.37
(b) Capital work-in-progress	3	**1,387.94**	1,081.28	1,316.49
(c) Investment Property	3	**215.60**	166.90	171.20
(d) Intangible Assets	3	**126.60**	131.91	137.21
(e) Goodwill (Consolidation)		**83.88**	83.88	83.88
(f) Financial Assets				
(i) Investments	4	**22.06**	22.24	22.07
(ii) Others	5	**77.56**	99.31	96.56
(g) Other Non-current assets	6	**650.82**	748.15	86.02
Total Non-Current Assets		**17,767.96**	17,214.35	16,047.80
(2) Current Assets				
(a) Inventories	7	**5,999.63**	4,672.26	3,685.09
(b) Financial Assets				
(i) Trade Receivables	8	**1,785.94**	678.42	960.77
(ii) Cash and cash equivalents	9	**156.10**	24.96	20.55
(iii) Bank Balance other than Cash and cash equivalents	9	**319.10**	323.09	173.63
(iv) Loans	10	**1.60**	199.57	31.05
(v) Other Financial Assets	11	**61.76**	24.11	18.88
(c) Currrent Tax Assets (Net)		**3.64**	23.14	-
(d) Other Current Assets	12	**2,295.55**	1,853.76	1,822.15
Total Current Assets		**10,623.33**	7,799.30	6,712.11
TOTAL ASSETS		**28,391.28**	25,013.65	22,759.91
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	13	**522.85**	522.85	522.85
(b) Other Equity	14	**11,837.60**	8,716.08	7,258.13
Equity Attributable to owners of the Company		**12,360.45**	9,238.92	7,780.98
Non Controlling Interests		**73.22**	70.15	70.97
Total Equity		**12,433.67**	9,309.07	7,851.95
(2) Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	**8,793.72**	8,640.98	8,205.22
(b) Provisions	16	**108.77**	96.41	71.30
(c) Deferred Tax Liabilities (Net)	17	**838.74**	249.81	134.34
Total Non-Current Liabilities		**9,741.24**	8,987.21	8,410.86
(4) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	**3,065.45**	3,265.58	2,981.91
(ii) Trade Payable				
- Total outstanding dues of Micro & Small Enterprises	19	**10.82**	10.08	11.78
- Total outstanding dues of creditors other than Micro & Small Enterprises	19	**1,530.41**	2,197.14	2,092.08
(iii) Other Financial Liabilities	20	**1,096.56**	788.34	917.53
(b) Other Current Liabilities	21	**322.35**	385.02	201.35
(c) Short-Term Provisions	22	**83.72**	71.21	40.49
(d) Current Tax Liabilities (Net)		**107.07**	-	251.97
Total Current Liabilities		**6,216.37**	6,717.37	6,497.10
TOTAL EQUITY AND LIABILITIES		**28,391.28**	25,013.65	22,759.91

See accompanying Accounting Policies and Notes to Restated Consolidated Financial Statements 1 to 53

In terms of our report attached.
For, S S S D & CO
Chartered Accountants
Firm Registration No. 020203C

Gaurav Ashok Baradia
Partner
Membership No. - 164479
Raipur, 12th July, 2021

For and on behalf of the Board

Sandeep Goel
Chief Financial Officer

Suresh Goel, Chairman cum Whole Time Director
DIN : 00115834

Parul Verma
Company Secretary

Narendra Goel, Managing Director
DIN : 00115883

SHRI BAJRANG POWER AND ISPAT LIMITED

CIN : U27106CT2002PLC015184

Restated Consolidated Ind AS Summary Statement of Profits and Losses (including Other Comprehensive Income)

(Amount in ₹ Million)

	Particulars	Notes	Financial Year Ended 31.03.2021	Financial Year Ended 31.03.2020	Financial Year Ended 31.03.2019
I.	Revenue From Operations	23	**30,312.11**	26,637.12	26,852.32
II.	Other Income	24	**331.21**	151.09	143.88
III.	**Total Revenue (I + II)**	**TOTAL**	**30,643.32**	26,788.21	26,996.20
IV.	**Expenses**				
	Cost of Materials Consumed	25	**16,737.94**	15,279.41	14,999.37
	Purchase of Stock in Trade		**2,312.46**	3,486.60	2,771.84
	(Increase) / Decrease In Stock in Trade	26	**(368.31)**	(374.79)	58.65
	Employees benefit Expenses	27	**895.21**	802.50	666.52
	Financial Costs	28	**1,197.80**	1,436.48	1,448.63
	Depreciation	3	**736.59**	685.30	662.22
	Other Expenses	29	**4,775.31**	3,629.01	3,177.60
		TOTAL	**26,287.00**	24,944.52	23,784.84
V.	**Profit Before Exceptional And Extraordinary Items And Tax (III-IV)**		**4,356.32**	1,843.70	3,211.36
VI.	Exceptional items (Refer Note 37)		**-**	-	-
VII.	**Profit Before Tax (V- VI)**		**4,356.32**	1,843.70	3,211.36
VIII.	**Tax expenses:**				
	Net current Tax	30	**778.28**	317.62	711.97
	Deferred Tax		**588.71**	115.55	124.69
IX	**Profit /(Loss) for the period (VII-VIII)**		**2,989.33**	1,410.53	2,374.70
	Add : Share in Profit of Joint Venture		**0.09**	(0.08)	(0.10)
	Less : Minority Share in Profit		**3.10**	(0.81)	(0.09)
			2,986.32	1,411.26	2,374.69
X	**Other Comprehesive Income :**				
	a) Re-measurements of the defined benefit plans		**6.59**	(6.28)	(1.50)
	b) Revaluation of Financial Assets through Other comprehensive income		**3.26**	(0.25)	0.11
	c) Income tax relating to items that will not be reclassified to profit or loss		**(0.22)**	0.08	(0.03)
	Less : Minority Share in Other Comprehensive Income		**0.03**	0.01	(0.00)
			9.66	(6.45)	(1.43)
XI	**Total Comprehesive Income for the year (IX+X)**		**2,995.98**	1,404.81	2,373.26
XII	**Basic / Diluted Earnings Per Equity Share**	**31**	**57.30**	26.87	45.39

See accompanying Accounting Policies and Notes to Restated Consolidated Financial Statements 1 to 53

In terms of our report attached.

For, S S S D & CO

Chartered Accountants

Firm Registration No. 020203C

Gaurav Ashok Baradia
Partner
Membership No. - 164479
Raipur, 12th July, 2021

For and on behalf of the Board

Sandeep Goel
Chief Financial Officer

Suresh Goel, Chairman cum Whole Time Director
DIN : 00115834

Parul Verma
Company Secretary

Narendra Goel, Managing Director
DIN : 00115883

SHRI BAJRANG POWER AND ISPAT LIMITED

Restated Consolidated Ind AS Summary Statement of Cash Flows (Amount in ₹ Million)

	Particular		As At 31.03.2021	As At 31.03.2020	As At 31.03.2019
A	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before Tax		4,356.32	1,843.70	3,211.36
	ADJUSTMENTS FOR:				
	Depreciation		736.59	685.30	662.22
	Financial Cost		1,197.80	1,436.48	1,448.63
	Interest Received		(164.65)	(102.38)	(106.36)
	Provision for Bad & Doubtful Debt		6.99	1.73	2.57
	Share in Profit of Joint Venture		0.09	(0.08)	(0.10)
	Dividend Income		(0.04)	(0.00)	-
	(Profit)/Loss on Sale of Fixed Asset		0.42	2.03	(1.42)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**6,261.37**	**3,919.54**	**5,135.33**
	ADJUSTMENTS FOR CHANGE IN CURRENT ASSETS& LIABILITIES:				
	(Increase)/Decrease in Inventories		(1,327.38)	(987.17)	(1,254.35)
	(Increase)/Decrease in Sundry Debtors		(1,114.50)	280.62	(225.47)
	(Increase)/Decrease in Other Current Assets		(259.45)	(228.50)	(955.57)
	Increase/(Decrease) in Current Liabilities & Provision		(300.87)	(63.39)	216.32
	Increase/(Decrease) in Non Current Provisions		18.95	18.83	11.95
	CASH GENERATED FROM OPERATIONS		**3,278.13**	**2,939.92**	**2,928.20**
	Direct Taxes Paid/Deducted at Source		778.28	317.62	711.97
	NET CASH FROM OPERATING ACTIVITIES	**A**	**2,499.85**	**2,622.31**	**2,216.24**
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Deletion/(Addition) to PPE (Including Goodwill)		(1,429.06)	(1,248.09)	(1,137.76)
	(Increase)/Decrease in Long-Term Loans & Advances		119.08	(664.87)	80.82
	Sale of Fixed Asset		16.89	59.61	38.71
	Dividend Income		0.04	0.00	-
	Interest Received		164.65	102.38	106.36
	(Increase) / Decrease in Bank Balance other than Cash & Cash Equivalent		3.99	(149.46)	(28.56)
	(Increase) / Decrease in Investments		0.91	(0.42)	0.10
	NET CASH USED IN INVESTING ACTIVITIES	**B**	**(1,123.51)**	**(1,900.84)**	**(940.32)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Increase/(Decrease) in Long-Term Borrowings		152.74	435.76	140.59
	Increase/(Decrease) of Other Long-Term Liabilities		-	-	(60.80)
	Increase/(Decrease) in Short-Term Borrowings		(200.13)	283.66	94.56
	Financial Cost		(1,197.80)	(1,436.48)	(1,448.63)
	NET CASH USED IN FINANCING ACTIVITIES	**C**	**(1,245.20)**	**(717.06)**	**(1,274.28)**
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		131.15	4.41	1.63
	Cash and Cash Equivalents at the beginning of the year		24.96	20.55	18.91
	Cash and Cash Equivalents at the end of the year		**156.10**	**24.96**	**20.55**
	Components of cash and cash equivalents as at				
	Cash in hand		9.03	6.64	4.51
	With banks : On Current Account		147.07	18.31	16.04
	Cash and Cash Equivalents at the end of the year		**156.10**	**24.96**	**20.55**

Notes :

1. Figures for the previous year have been regrouped/rearranged wherever found necessary.

In terms of our report attached.
For, S S S D & CO
Chartered Accountants
Firm Registration No. 020203C

For and on behalf of the Board

Sandeep Goel
Chief Financial Officer

Suresh Goel, Chairman cum Whole Time Director
DIN : 00115834

Gaurav Ashok Baradia
Partner
Membership No. - 164479
Raipur, 12th July, 2021

Parul Verma
Company Secretary

Narendra Goel, Managing Director
DIN : 00115883

SHRI BAJRANG POWER AND ISPAT LIMITED

Restated Consolidated Ind AS Summary Statement of Changes in Equity

A. Equity Share Capital

(Amount in ₹ Million)

Particulars	Balance as of April 01, 2018	Movement During the Year	Balance as of April 01, 2019	Movement During the Year	Balance as of April 01, 2020	Movement During the Year	Balance as of March 31, 2021
Equity Share Capital	**130.71**	392.13	**522.85**	-	**522.85**	-	**522.85**

B. Other Equity

(Amount in ₹ Million)

Particulars	Reserve & Surplus					Other comprehensive income	Total Equity Attributable to equity holders of the Company
	Retained Earnings	Securities Premium	Amalgamation Reserve	Capital Reserve	Revaluation Reserve		
Balance as of April 01, 2018	**2,870.52**	**1,455.83**	**110.74**	**111.90**	**813.18**	**(3.60)**	**5,358.57**
Free Reserve Utilised for Issue of Bonus Share	(392.13)	-	-	-	-	-	**(392.13)**
Impact of Restatement	(81.56)	-	-	-	-	-	**(81.56)**
Profit/(loss) for the period	2,374.69	-	-	-	-	-	**2,374.69**
Other comprehensive income For the Year	-	-	-	-	-	(1.43)	**(1.43)**
Balance as of April 01, 2019	**4,771.51**	**1,455.83**	**110.74**	**111.90**	**813.18**	**(5.03)**	**7,258.13**
Impact of Restatement	52.77	-	-	-	-	-	**52.77**
Profit/(loss) for the period	1,411.26	-	-	-	0.36	-	**1,411.63**
Other comprehensive income For the Year	-	-	-	-	-	(6.45)	**(6.45)**
Balance as of April 01, 2020	**6,235.54**	**1,455.83**	**110.74**	**111.90**	**813.55**	**(11.48)**	**8,716.08**
Impact of Restatement	127.85	-	-	-	-	-	**127.85**
Profit/(loss) for the period	2,986.32	-	-	-	(2.31)	-	**2,984.02**
Other comprehensive income For the Year	-	-	-	-	-	9.66	**9.66**
Balance as of March 31, 2021	**9,349.72**	**1,455.83**	**110.74**	**111.90**	**811.24**	**(1.83)**	**11,837.60**

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS

In terms of our report attached.

For and on behalf of the Board

For, S S S D & CO
Chartered Accountants
Firm Registration No. 020203C

Sandeep Goel
Chief Financial Officer

Suresh Goel, Chairman cum Whole Time Director
DIN : 00115834

Gaurav Ashok Baradia
Partner
Membership No. - 164479
Raipur, 12th July, 2021

Parul Verma
Company Secretary

Narendra Goel, Managing Director
DIN : 00115883

Consolidated Summary Statement of Significant Accounting Policies, and other explanatory information for the years ended March 31, 2021, March 31, 2020 and March 31, 2019

1. CORPORATE INFORMATION

(i) The restated consolidated financial statement of the group Shri Bajrang Power & Ispat Limited (The parent company), Shri Bajrang Energy Private Limited (the subsidiary company), Shri Bajrang Steel Corporate Limited (the subsidiary company) & IA Hydro Energy Private Limited (the subsidiary Company), S.B. Power (Partnership Firm) and Chhattisgarh Captive Coal Mining Private Limited (the Joint Venture Company) are included in consolidation for the year.

(ii) Shri Bajrang Power And Ispat Limited is a public limited (CIN : U27106CT2002PLC015184) company having its registered office at Village Borjhara, Urla Industrial Area, Borjhara, Raipur (Chhattisgarh) and its places of bussiness are UNIT-I at Borjhara, UNIT-II at Gondwara, UNIT-III at Tilda and its Mining activity in Hahaladdi, Dist. Kanker(Chhattisgarh) The company is engaged in manufacturing of Sponge Iron, Billets, Pellets, TMT Bars, ERW Pipe, Wire rod, Ferro Alloys, Fly Ash Bricks and generation of electricity. The company is having its major operation in steel, power & other incidental & ancillary operations related to steels & mining. Research & Development activities had been started in UNIT - I at Borjhara.

(iii) The Company, its subsidiaries and its associates & joint venture (jointly referred to as the 'Group' herein under) considered in these Restated Consolidated Financial Statements are:

Name of The Company	Country of Incorporation	Ownership in %		
		2020-21	2019-20	2018-19
A. Subsidiaries				
(i) Shri Brajang Energy Private Limited	India	79.83%	79.83%	79.83%
(ii) I A Hydro Energy Private Limited	India	90.46%	90.46%	90.46%
(iii) SB Power (Partnership Firm)	India	51.00%	51.00%	51.00%
(iv) Shri Bajrang Steel Corporate limited	India	100.00%	0.00%	0.00%
B. Joint Venture				
(i) Chattisgarh Captive Coal Mining Private Limited	India	19.00%	19.00%	19.00%

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

(i) These Restated Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) and the SEBI ICDR Regulation and guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI.

(ii) The Restated Consolidated Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
- Certain financial assets and liabilities (including derivative instruments) and
- Defined benefit plans - plan assets

(iii) The Restated Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered.

(iv) The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the Restated consolidated financial statements.

(v) Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the Restated Consolidated Balance Sheet separately within equity.

(vi) Non-controlling interests in the net assets of consolidated subsidiaries consists of:

a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and

b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

(vii) Investments in associates and joint venture are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in the profit & loss, and the Company's share of other comprehensive income of the investee in the other comprehensive income.

(viii) The Company's restated consolidated financial statements are presented in Indian Rupees Million(₹ in Million), which is also its functional currency.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Property, Plant and Equipment (PPE)

i) Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

iii) Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

iv) Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except, in respect of Rolls (Rolling Mill Division), where useful life has been taken for one year only as per the technical advice.Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to total cost of the Machine is depreciated separately, if its useful life is different than the life of the Machine.

v) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

vi) Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

vii) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

viii) The company has adopted a revaluation model for Freehold Land, wherein the assets which have been revalued shall be reviewed on an periodical basis and any accretion or decretion in value arising out of such revaluation shall be credited / debited to the revaluation reserve.

b) Leases

i) Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

ii) Leased assets: Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

iii) Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

iv) A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

v) Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

c) Intangible assets

i) Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount 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 asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

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

iii) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised

d) Capital Work in Progress

i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital Work in Progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

iii) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital Work in Progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

e) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

f) Finance Cost

i) Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

ii) Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

iii) All other borrowing costs are expensed in the period in which they occur.

g) Inventories

i) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

ii) Cost of raw materials, stores and spares, packing materials, trading and other products are determined at Cost, with moving average price on FIFO basis

iii) Cost of Finished Goods includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.

h) Impairment of non-financial assets - property, plant and equipment and intangible assets

i) The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

ii) An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

iii) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

i) Provisions, Contingent Liabilities and Contingent Assets and Commitments

i) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a Consolidated asset only when the reimbursement is virtually certain.

ii) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

iii) Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date are adjusted to reflect the current management estimate.

iv) Contingent assets are not recognized but are disclosed in the restated consolidated financial statements when inflow of economic benefits is probable.

j) Income Taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

i) **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

ii) **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the restated consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

k) Foreign Currency Transactions

i) Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

ii) Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

iii) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

l) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.
Re-measurement of defined benefit plans in respect of post- employment are charged to the Other Comprehensive Income.

Value of encashable leave are encashed during the year is equivalent to one month salary and charged to Profit & Loss Account.

m) Mining Assets

(i) Exploration and Evaluation Assets

Upon obtaining the legal rights to explore a specific area but before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the expenditure incurred on finding specific mineral resources are capitalised as Exploration and Evaluation Assets. These expenditure include expenses on acquisition of rights to explore; topographical, geological, geochemical and geophysical studies; exploratory drilling; trenching; sampling; activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource and such other related expenses. When the technical feasibility and commercial viability of extracting a mineral resource are demonstrated, the Exploration and Evaluation Assets are reclassified as part of the right to mine.
At the initial recognition the Exploration and Evaluation Assets are measured at cost. After recognition, the company continues to use the cost model.

Exploration and Evaluation Assets are assessed for impairment when facts and circumstances suggest that the carrying amount of such assets may exceed its recoverable amount.

After the reclassification of the Exploration and Evaluation Assets as part of the Right to Mine, the cost is then amortised over the remaining useful life of the mining rights.

(ii) Stripping Activity

During the development phase of the mine (before production begins), stripping costs are capitalised as part of the cost of right to mine.

During the production phase, two benefits accrue from the stripping activity: usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods.

To the extent that the benefit from the stripping activity is realised in the form of inventory produced, the costs of that stripping overburden removal activity is accounted for in accordance with the principles of Ind AS 2, Inventories.

To the extent the benefit is improved access to ore, these costs are recognised as Stripping Activity Asset, if the following criteria are met:-

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow;
- the component of the ore body for which access has been improved can be identified; and
- the costs relating to the stripping activity associated with that component can be measured reliably.

The Stripping Cost capitalised during the development phase or during the production phase is amortised using the units or production method.

In accordance with Ind AS 101 First Time Adoption of Ind AS, the previously recognised asset balance that resulted from stripping activity undertaken during the production phase ('predecessor stripping asset' classified as Iron Ore Mines under Intangible Assets) is reclassified as a part of an existing asset i.e Right to Mine to which the stripping activity relates, to the extent that there remains an identifiable component of the ore body with which the predecessor stripping asset can be associated. Such balances will be amortised over the remaining expected useful life of the Right to Mine.

n) Revenue recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.
Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.
Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
Revenue from operations includes sale of goods, services, service tax, excise duty and adjusted for discounts (net), and gain/ loss on corresponding hedge contracts.
Revenue from Power Supply is accounted for on the basis of billing to consumers and generally all consumers are billed on the basis of recording of consumption of energy by installed meters. Shortfall of Power Unit supplied and Actual Received is recorded as Power Sale Discount and its charges recorded in Profit and Loss Account.

Sale of Power (Hydro Power Plant)
Revenue from Generation, Transmission and Distribution of power is recognised on an accrual basis and includes unbilled revenues accrued upto the end of the accounting year.
The Group determines surplus/deficit (i.e. excess/shortfall of/in aggregate gain over Return on Equity entitlement) for the year in respect of its regulated operations based on the principles laid down under the relevant Tariff Regulations/Tariff Orders as notified by respective State Regulatory Commissions. In respect of such surplus/deficit, appropriate adjustments as stipulated under the regulations are made during the year. Further, any adjustments that may arise on annual performance review by respective State Regulatory Commissions under the aforesaid Tariff Regulations/Tariff Orders is made after the completion of such review."

Interest income
Interest income from a financial asset is recognised using effective interest rate (EIR) method.

Dividends
Revenue is recognised when the Company’s right to receive the payment has been established, which is generally when shareholders approve the dividend.

o) Insurance Claims
Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted to the extent that there is no uncertainty in receiving the claims.

p) Financial Intruments
i) Financial Assets
A. Initial recognition and measurement
All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement
Financial assets carried at amortised cost
A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)
A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL.

C. Investment in subsidiaries, Associates and Joint Ventures
The Company has elected to measure investment in subsidiaries, joint venture and associate at cost. On the date of transition, the fair value has been considered as deemed cost.
Investment in Equity shares & Mutual Funds etc., are classified at fair value through the profit and loss account.

D. Other Equity Investments
All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in ‘Other Comprehensive Income’.

E. Impairment of financial assets
In accordance with Ind AS 109, the Company uses ‘Expected Credit Loss’ (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).
Expected credit losses are measured through a loss allowance at an amount equal to:
• The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
• Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)
For trade receivables Company applies ‘simplified approach’ which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.
For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities
A. Initial recognition and measurement
All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement
Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative financial instruments and Hedge Accounting
The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options and commodity contracts to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.
Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

a) **Cash flow hedge**

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

b) **Fair Value Hedge**

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

q) Operating Cycle

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

An asset is treated as current when it is:

a. Expected to be realized or intended to be sold or consumed in normal operating cycle;

b. Held primarily for the purpose of trading;

c. Expected to be realized within twelve months after the reporting period, or

d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current.

A liability is current when:

a. It is expected to be settled in normal operating cycle;

b. It is held primarily for the purpose of trading;

c. It is due to be settled within twelve months after the reporting period, or

d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The company has identified twelve months as its operating cycle.

r) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

s) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

t) Segment Reporting Policies

Identification of segments : The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the restated consolidated financial statements. The Operating segments have been identified on the basis of the nature of products.

Inter segment Transfers :The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs: Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items : The Corporate and Other segment includes general corporate income and expense items which are not allocated to any business segment.

u) Government Grant

Grant from the government are recognized at the fair value where there is a reasonable assurance that the grant will be received and the company will comply with the attached conditons.

v) Dividend Distribution

Dividend distribution to the shareholders is recognised as a liability in the company's restated consolidated financial statements in the period in which the dividends are approved by the company's shareholders.

w) Statement of Cash Flows

i) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

2.3 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the restated consolidated financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company’s historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or Cash Generating Units (CGU’s) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company’s past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

f) Measurement of defined benefit obligations

The measurement of defined benefit and other post-employment benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

3 PROPERTY, PLANT & EQUIPMENT

(Amount in ₹ Million)

PARTICULARS	Land & Site Devlopment	Leasehold Land	Factory Building	Plant & Machinery	Office Equipment	Computer	Furniture & Fixtures	Vehicle	TOTAL	Investment property	Intangible Assets (Right to Mines)	GRAND TOTAL
GROSS BLOCK CARRYING VALUE												
At 01/04/2018	1,414.95	122.33	1,173.16	12,799.34	11.99	10.23	24.16	283.73	**15,839.90**	196.19	152.21	**16,188.30**
Additions	0.32	-	57.81	70.08	5.47	2.47	3.46	44.88	**184.49**	-	-	**184.49**
Disposal	0.69	-	10.18	6.26	-	-	-	24.75	**41.88**	16.24	-	**58.12**
At 01/04/2019	1,414.58	122.33	1,220.80	12,863.16	17.46	12.70	27.62	303.86	**15,982.51**	179.95	152.21	**16,314.67**
Additions	0.58	-	163.24	1,245.06	3.55	3.87	0.98	65.23	**1,482.51**	-	-	**1,482.51**
Disposal	4.79	-	-	161.90	-	-	-	25.44	**192.13**	-	-	**192.13**
At 01/04/2020	1,410.37	122.33	1,384.04	13,946.31	21.01	16.58	28.61	343.65	**17,272.89**	179.95	152.21	**17,605.06**
Additions	33.10	-	141.23	866.54	5.09	6.31	3.02	53.40	**1,108.69**	53.84	-	**1,162.53**
Disposal	9.21	-	-	55.43	0.03	-	-	15.42	**80.09**	-	-	**80.09**
At 31/03/2021	**1,434.26**	**122.33**	**1,525.27**	**14,757.43**	**26.06**	**22.89**	**31.63**	**381.62**	**18,301.49**	**233.80**	**152.21**	**18,687.50**
DEPRECIATION												
At 01/04/2018	33.77	5.14	198.43	899.85	5.86	5.80	6.54	54.73	**1,210.13**	6.37	10.00	**1,226.50**
Charge for the Year	14.54	0.30	45.22	541.60	2.32	1.66	3.14	45.60	**654.37**	3.12	5.00	**662.49**
(Disposal)/Adjustment	-	-	(1.93)	(1.88)	-	-	-	(12.56)	**(16.37)**	(0.73)	-	**(17.09)**
At 01/04/2019	48.31	5.44	241.72	1,439.58	8.18	7.47	9.68	87.77	**1,848.14**	8.76	15.00	**1,871.90**
Charge for the Year	13.55	2.76	44.22	563.37	3.48	2.33	2.87	43.37	**675.94**	4.29	5.31	**685.54**
(Disposal)/Adjustment	-	-	-	(115.39)	(1.40)	-	-	(15.10)	**(131.89)**	-	-	**(131.89)**
At 01/04/2020	61.86	8.20	285.94	1,887.56	10.26	9.80	12.55	116.04	**2,392.20**	13.05	20.31	**2,425.56**
Charge for the Year	13.51	2.76	49.84	600.77	2.95	3.28	2.97	50.28	**726.35**	5.14	5.31	**736.80**
(Disposal)/Adjustment	-	-	-	(10.98)	(0.00)	-	-	(9.58)	**(20.56)**	-	-	**(20.56)**
At 31/03/2021	**75.38**	**10.96**	**335.78**	**2,477.35**	**13.21**	**13.07**	**15.52**	**156.73**	**3,097.99**	**18.20**	**25.61**	**3,141.80**
NET BLOCK												
At 01/04/2019	**1,366.27**	**116.88**	**979.08**	**11,423.58**	**9.28**	**5.24**	**17.94**	**216.09**	**14,134.37**	**171.20**	**137.21**	**14,442.78**
At 01/04/2020	**1,348.51**	**114.12**	**1,098.10**	**12,058.76**	**10.75**	**6.78**	**16.06**	**227.62**	**14,880.69**	**166.90**	**131.91**	**15,179.50**
At 31/03/2021	**1,358.88**	**111.36**	**1,189.50**	**12,280.08**	**12.85**	**9.81**	**16.11**	**224.90**	**15,203.50**	**215.60**	**126.60**	**15,545.70**
CAPITAL WORK IN PROGRESS												
At 01/04/2019	-	-	-	-	-	-	-	-	**1,316.49**	-	-	**1,316.49**
At 01/04/2020	-	-	-	-	-	-	-	-	**1,081.28**	-	-	**1,081.28**
At 31/03/2021	-	-	-	-	-	-	-	-	**1,387.94**	-	-	**1,387.94**

Note :-

(i) Pursuant to the enactment of Companies Act 2013, the group has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives.

(ii) The amount shown under Lease hold asset was the cost incurred for the Lease by the lessee for the agreed period. The group being the lessee is the beneficial owner of these asset for the above period.

(iii) Capital Work in Prpgress includes borrowing cost of Rs.86.87 Millions (P.Y. 5.25 Millions) capitalised during the year.

(iv) Company has made following addition in Fixed assets relating to "Research & Development" during the year is mentioned below :

Particular	Amount 2020-21 (In Million)	Amount 2019-20 (In Million)	Amount 2018-19 (In Million)
- Plant & Machinary	-	10.29	67.22
- Computer	-	-	1.48
- Office Equipment	-	-	1.55

4 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Trade Investments (Unquoted)			
In Joint Venture (At Cost)			
Chattisgarh Captive Coal Mining Private Limited	**30.69**	30.69	30.69
[2,51,181 (P.Y. 2,51,181) equity shares of Rs. 10/- each, fully paid-up]			
(Includes Goodwill of Rs. 2.32 Millions)			
Add: Post Acquisition Profit/(loss) of Joint Venture	**(10.56)**	(10.65)	(10.58)
	20.13	20.04	20.11
Investment in Other - Fully Paid up (At Cost)			
Shri Bajrang Hydro Energy Limited	**0.01**	0.01	0.01
[5,100 (P.Y. 5,100) equity shares of Rs. 2/- each, fully paid-up]			
Essar Steels Limited	**0.00**	0.00	0.00
(100 equity shares of Rs. 10/- each, fully paid-up, Market Price Rs. 10 per share)			
Non Trade Investment			
Investment in Shares - Quoted, Fully Paid up (At Fair Value through OCI)			
Tata Steel BSL Limited	**0.01**	0.00	0.01
(250 equity shares of Rs. 10/- each, fully paid-up, Market Price Rs. 52.15 per share)			
JSW Steels Limited	**0.23**	0.07	0.15
(500 equity shares of Rs. 10/- each, fully paid-up, Market Price Rs. 468.45 per share)			
Prakash Industries	**0.01**	0.00	0.01
(100 equity shares of Rs. 10/- each, fully paid-up, Market Price Rs. 74.2 per share)			
Steel Authority of India Limited	**0.01**	0.00	0.01
(100 equity shares of Rs. 10/- each, fully paid-up, Market Price Rs. 78.8 per share)			
Tata Steel Limited	**0.04**	0.01	0.03
(50 equity shares of Rs. 10/- each, fully paid-up, Market Price Rs. 811.86 per share)			
Prakash Pipes Limited	**0.00**	-	-
(12 equity shares of Rs. 10/- each, fully paid-up, Market Price Rs. 127.67 per share)			
Investment in Debenture - Unquoted, Fully Paid up			
9.5% Non Convertible Debenture of Yes Bank Limited	**-**	1.00	1.00
(P.Y. 1 unit of Rs. 10,00,000/- each, fully paid-up)			
Investment in Mutual Fund (At Fair Value through OCI)			
Baroda pioneer Mutual Fund	**0.58**	0.50	-
SBI Infrastructure Fund -1- Growth	**1.04**	0.60	0.76
TOTAL	**22.06**	22.24	22.07
Agreegate Amount of Quoted Investments	**0.30**	0.09	0.19
Agreegate Amount of Unquoted Investments	**21.76**	22.15	21.88

5 NON-CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Unsecured, considered good			
(a) Security Deposits			
Deposit	**77.56**	99.31	96.56
TOTAL	**77.56**	99.31	96.56

6 OTHER NON-CURRENT ASSETS **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Unsecured, considered good			
(a) Capital Advances*	**595.13**	726.98	77.09
(b) Security Deposits			
(i) Deposit with Governments Authorities	**55.69**	21.17	8.93
TOTAL	**650.82**	748.15	86.02
* Capital Advances to Private Company / Firm in which director is a member / Partner	305.00	-	-

7 INVENTORIES* **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
(All Stock are Valued at cost or Net realizable value which ever is Lower)			
(a) Raw Materials and components	**3,602.36**	2,743.89	2,181.16
(b) Finished goods	**1,644.73**	1,255.42	854.79
(c) Stores and spares	**744.01**	643.41	593.77
(d) Trading Goods	**8.54**	29.53	55.37
TOTAL	**5,999.63**	4,672.26	3,685.09

***DETAILS OF STOCK IN TRANSIT**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
(a) Raw Materials and components	**52.31**	100.23	3.21
(b) Trading Goods	**-**	12.90	-
TOTAL	**52.31**	113.12	3.21

8 TRADE RECEIVABLES* **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Trade receivables Considered good - Unsecured	**1,785.94**	678.42	960.77
Trade receivables - Credit Impaired	**17.07**	10.08	8.35
Less : Provision	**17.07**	10.08	8.35
	-	-	-
TOTAL	**1,785.94**	678.42	960.77
* Trade Receivable stated above include debts due by: Private Company / Firm in which director is a member / Partner	2.92	-	-

(Amount in ₹ Million)

Partiular	31.03.2021	31.03.2020	31.03.2019
Ageing analysis			
Upto 3 months	**1,698.69**	639.66	922.25
3-6 months	**14.23**	27.40	12.87
More than 6 months	**73.01**	11.36	25.64
	1,785.94	678.42	960.77

9 CASH & BANK BALANCES **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Cash & Cash Equivalents			
(a) Balances with banks	**147.07**	18.31	16.04
(b) Cash on hand	**9.03**	6.64	4.51
	156.10	24.96	20.55
Bank Balance other than cash and cash equivalents			
(a) Margin Money with banks	**319.10**	323.09	173.63
TOTAL	**475.20**	348.04	194.18

10 CURRENT FINANCIAL ASSETS - LOANS* **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Unsecured, considered good			
(a) Loans and advances	**1.60**	199.57	0.32
(b) Others	**-**	-	30.72
TOTAL	**1.60**	199.57	31.05

***Loans and advances above includes loan given to :-**

Enterprises under Control of KMP & their Relatives	1.60	199.57	-

11 CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Interest Receivable	**13.40**	7.29	5.62
Royalty Receivable	**1.18**	0.15	-
Other Advances and Receivables (Refer Note 37)	**47.18**	16.68	13.27
TOTAL	**61.76**	24.11	18.88

12 OTHER CURRENT ASSETS **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Advance to Supplier (Other than Capital Advance)	**2,075.68**	1,686.15	1,686.28
Balance with Central Excise & Sales Tax Department	**189.31**	136.84	107.90
Prepaid Expenses	**28.03**	30.77	27.98
Derivative financial instruments	**2.53**	-	-
TOTAL	**2,295.55**	1,853.76	1,822.15

13 SHARE CAPITAL **0.00**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
(a) Authorised, Issued, Subscribed and paid-up share capital			
Authorised Share Capital			
10,00,00,000 Equity Shares of Rs. 10/- each [Previous Year 10,00,00,000 Equity Shares of Rs. 10/- each]	**1,000.00**	1,000.00	1,000.00
	1,000.00	1,000.00	1,000.00
Issued, Subscribed & Fully Paid-up Share Capital			
5,22,84,620 Equity Shares of Rs. 10/- each fully paid up [Previous year 5,22,84,620 Equity Shares of Rs. 10/-]	**522.85**	522.85	522.85
TOTAL	**522.85**	522.85	522.85

(b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

(Numbers in Million)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
No of shares outstanding as at the beginning of the year	**52.28**	52.28	13.07
Add : Number Of Shares Allotted During The Year As Fully Paid-Up	**-**	-	39.21
Number of shares outstanding as at the end of the year	**52.28**	52.28	52.28

(c) Shares in the company held by each shareholder holding more than 5% shares

Name of the shareholder	AS AT 31.03.2021		AS AT 31.03.2020		AS AT 31.03.2019	
	No. of share held in the Company	**% of Shares held**	**No. of share held in the Company**	**% of Shares held**	**No. of share held in the Company**	**% of Shares held**
Atlanta Securities Private Limited	**81,58,000**	**15.60**	81,58,000	15.60	81,58,000	15.60
Banka Finance & Securities Private Limited	**83,13,524**	**15.90**	83,13,524	15.90	83,13,524	15.90
Bonus Dealcom Private Limited	**28,69,200**	**5.49**	28,69,200	5.49	28,69,200	5.49
Sukanya Merchandise Private Limited	**28,97,016**	**5.54**	28,97,016	5.54	28,97,016	5.54
Pawan Goel	**32,72,925**	**6.26**	-	-	-	-

(d) The Parent Company has only one class of shares referred to as equity shares having a par value of 10/-. Each holder of equity shares is entitled to one vote per share.

14 OTHER EQUITY

(Amount in ₹ Million)

Particulars	Reserve & Surplus					Other comprehensive income	Total Equity Attributable to equity holders of the Company
	Surplus	Securities Premium	Capital Reserve	Amalgamation Reserve	Revaluation Reserve		
Balance as of April 01, 2018	**2,870.52**	**1,455.83**	**110.74**	**111.90**	**813.18**	**(3.60)**	**5,358.57**
Free Reserve Utilised for Issue of Bonus Share	(392.13)	-	-	-	-	-	(392.13)
Impact of Restatement	(81.56)	-	-	-	-	-	(81.56)
Profit/(loss) for the period	2,374.69	-	-	-	-	-	2,374.69
Other comprehensive income For the Year	-	-	-	-	-	(1.43)	(1.43)
Balance as of April 01, 2019	**4,771.51**	**1,455.83**	**110.74**	**111.90**	**813.18**	**(5.03)**	**7,258.13**
Impact of Restatement	52.77	-	-	-	-	-	52.77
Profit/(loss) for the period	1,411.26	-	-	-	0.36	-	1,411.63
Other comprehensive income For the Year	-	-	-	-	-	(6.45)	(6.45)
Balance as of April 01, 2020	**6,235.54**	**1,455.83**	**110.74**	**111.90**	**813.55**	**(11.48)**	**8,716.08**
Impact of Restatement	127.85	-	-	-	-	-	127.85
Profit/(loss) for the period	2,986.32	-	-	-	(2.31)	-	2,984.02
Other comprehensive income For the Year	-	-	-	-	-	9.66	9.66
Balance as of March 31, 2021	**9,349.72**	**1,455.83**	**110.74**	**111.90**	**811.24**	**(1.83)**	**11,837.60**

(i) **Capital Subsidy transferred to Capital Reserve :**

The company is entitled to get Infrastructure Capital Subsidy amounting to Rs. 110.74 Million for the Investment made in Infrastructure development which is to be adjusted towards the liabilities on account of Sales Tax, as sanctioned in the eligibility order.

(ii) Revaluation Reserve :

During the Financial year 2017-18, the Group Company has done revaluation of Freehold Land in accordance with Indian Accounting Standard (Ind -AS) - 16 Property, Plant and Equipments) resulting in an accretion amounting to Rs 813.18 Millions being credited to revaluation reserve for which the Company has used an independent valuation report. Revalution surplus amounting to Rs 811.24 Millions is not available for distribution to the shareholders. It may be transferred to revenue reserves when the asset is derecognized. This may involve transferring the whole of the revaluation surplus when the asset is retired or disposed off.

(iii) Securities Premium

Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures,write-off equity related expenses like underwriting costs, etc.

(iv) Amalgamation Reserve

Amalgamation Reserves are mainly the reserves created during business combination for the gain on bargain purchase. Company’s capital reserve is mainly on account of acquisition of Shri Bajrang Metalics and Power Limited.

15 NON CURRENT FINANCIAL LIABILITIES - BORROWINGS **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
(a) Term Loans From Banks			
Secured Loan			
Term Loans from State Bank of India* (Repayable in 183 monthly instalments starting from July 2015 and last instalment falling due on September 2030)	**1,133.33**	1,252.08	1,295.25
Term Loans from Bank of India* (Repayable in 180 Monthly instalments starting from October 2015 and last instalment falling due on September 2030.)	**421.59**	446.05	468.92
Term Loans from Bank of Baroda I* (Repayable in 183 Monthly instalments starting from July 2015 and last instalment falling due on September 2030.)	**1,322.63**	1,417.25	1,467.90
Term Loans from Bank of Baroda II* (Repayable in 72 Monthly instalments starting from April 2021 and last instalment falling due on March 2027.)	**509.95**	330.30	-
Term Loans from Bank of Baroda III (Covid Assistance Loan) (Repayable in 18 Monthly instalments starting from November 2020 and last instalment falling due on April 2022.)	**8.56**	-	244.77
Term Loans from Karnataka Bank* (Repayable in 183 Monthly instalments starting from July 2015 and last instalment falling due on September 2030.)	**219.22**	234.88	83.53
Term Loans from Karnataka bank* (Repayable in 183 Monthly instalments starting from July 2015 and last instalment falling due on September 2030.)	**69.32**	78.83	-
Term Loans from Bank of Maharashtra* (Repayable in 72 Monthly instalments starting from April 2021 and last instalment falling due on March 2027.)	**337.57**	229.15	-
Term Loans I (Bank of Baroda) (Repayable in 115 Monthly instalments starting from January 2017 and last instalment falling due on July 2026.)	**-**	417.08	458.41
Term Loans II (Bank of India) (Repayable in 115 Monthly instalments starting from January 2017 and last instalment falling due on July 2026.)	**-**	399.94	444.50
Term Loans III (Bank of Maharashtra) (Repayable in 115 Monthly instalments starting from January 2017 and last instalment falling due on July 2026.)	**-**	333.16	370.29
Term Loans IV (Corporation Bank) (Repayable in 115 Monthly instalments starting from January 2017 and last instalment falling due on July 2026.)	**-**	381.45	425.97
Term Loans V (Bank of Baroda) (Repayable in 137 Monthly instalments starting from January 2017 and last instalment falling due on May 2028.)	**-**	225.23	229.56
Term Loans VI (Bank of India) (Repayable in 137 Monthly instalments starting from January 2017 and last instalment falling due on May 2028.)	**-**	216.25	222.77
Term Loans VII (Bank of Maharashtra) (Repayable in 137 Monthly instalments starting from January 2017 and last instalment falling due on May 2028.)	**-**	179.30	185.19
Term Loans VIII (Corporation Bank) (Repayable in 137 Monthly instalments starting from January 2017 and last instalment falling due on May 2028.)	**-**	170.45	185.87
(b) Term Loans From Others			
Secured Loan			
Indian Renewable Energy Development Agency Limited** (Repayable in 240 Monthly instalments starting from May 2021 and last instalment falling due on April 2040.)	**2,137.58**	-	-
Unsecured Loan			
LIC Housing Finance Limited ('Term Loan is Repayable in 180 installments starting from May 2018 & ending on March 2033)	**375.66**	391.24	405.87
(c) Long Term Maturities' of Finance Lease Obligations ***			
Secured Loan (Hypothecated by Asset Acquired under Finance Lease)	**82.23**	80.74	71.50

(Amount in ₹ Million)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
(d) Other Loans			
Unsecured :			
From Corporate Body #	**1,900.97**	1,655.74	1,420.58
From Others	**275.11**	201.86	224.34
TOTAL	**8,793.72**	8,640.98	8,205.22
# Other Loans from Corporate Body includes Loan from Related Party.	**481.68**	508.60	897.49

Note :
(i) There is no default, as at the balance sheet date, in repayment of any of above Loans
(ii) Current Maturities of Long term debts disclosed under the head "CURRENT FINANCIAL LIABILITIES - OTHERS".
(iii) During the year, Indian Renewable Energy Development Agency Limited has takenover outstanding term loan of our subsidiary company IA Hydro Energy Private Limited.

Parent Company:

* Security and terms & conditions for above loans from Banks :
The Term Loan granted under consortium finance from State Bank of India, Commercial Branch, Raipur working as a lead banker, Bank of Baroda, Corporate financial services Branch, Bank of India, Mid-corporate banking Branch, Raipur, Karnataka Bank, Main Branch, Raipur and Bank of Maharashtra, Main Branch, Raipur are secured by:

A. Primary Security

(a) Hypothecation of plant and machinery and other movable assets and Equitable Mortgage of Leasehold (from CSIDC) factory land at village: Borjhara, Urla Industrial Estate, Raipur (C.G.), Area of land 21.25 acres on pari-passu basis with other participating term lenders.

(b) Equitable Mortgage of 39.15 acres of free hold factory land at village: Borjhara, Urla Industrial Estate, Raipur (C.G.) on first parri-passu basis.

(c) First parri-passu charge with other participating lenders on the entire Fixed assets of Gondwara Divisions, along with Equitable Mortgage of the land situated at khasara No. 2/1, 22, 23/2, 25, 26, 27/2, 30/1, 30/2, 32, 33 admeasuring 4.039 Hectare situated at Vill : Gondwara, Industrial Estate, Urla, Raipur(C.G.)

(d) First mortgage charge on the company's present and future movable and immovable assets on parri passu basis with other participating lenders.

(e) Equitable Mortgage on pari passu basis in favour of lenders on 312.60 acres Land (excluding the 37.4 acres of the land for green belt which cannot be diverted) at Dharsiwa, Tilda, Raipur (C.G.).

Personal Guarantee of KMP & Relatives :
Shri Suresh Goel S/o. Late Hari Ram Goel
Shri Rajendra Goel S/o. Late Hari Ram Goel
Shri Narendra Goel S/o. Late Hari Ram Goel
Shri Anand Goel S/o. Late Hari Ram Goel
Shri Sandeep Goel S/o. Shri Suresh Goel

Guarantee of Relative of Directors :
Shri Dinesh Goel S/o. Shri Suresh Goel
Smt. Suman Goel W/o. Shri Dinesh Goel

Corporate Guarantee :
M/s. Shri Bajrang Alliance Limited
M/s. Swastik Mercantile Limited
M/s. Shimmer Investment Pvt. Limited

B. Collateral Security

(a) Second Pari Pasu charge on the current assets of the company with other participating lenders.

(b) Equitable mortgage of open plot at Kh. No. 291,292 (Part), Ph. No. 1, Devendra Nagar, Scheme No. 32, Fafadih raipur admeasuring 28130 sq. ft. on pari-passu basis with other participating lenders.

(c) Pledge of Shares on Pari-passu basis of SBPIL face value of 4.40 Cr. With other participating lenders.

(d) Equitable mortgage of land & building(two numbers of Registries) at Kh.No. 241 (Part) opp. to Patidar Bhawan, Kapa Road, Raipur (C.G.) admeasuring 4374+4374 Sq.Ft. (Total 8748 Sq. Ft.) on Pari-Passu basis with other participating lenders.

Subsidiary Company: IA Hydro Energy Private Limited

**** Security and terms & conditions for above loans from Others :**

1. Exclusive Charge of Mortgage of Private Land admeasuring 0.507 Hectare and charge on unit building, shed & civil work, plant & machinery and all fixed assets of power plant located at Chanju-I, Chmba-Kathwar Road, Dist. Chamba, Himachal Pradesh

2. Exclusive charge by hypothecation of all present and future movable assets including but not limited to hydro turbine generators and ancillary equipments, electricity generation plant and machinery, set up transformers and switch gears, switch yard, cables, panels or other appurtenants equipment, machinery spares, tools and accessories of the project.

3. Letter of Assurance/ comfort letter from Dept. of Energy, Govt. of Himachal Pradesh/ forest dept to Indian Renewable Energy Development Agency Limited in lieu of mortgage charge on forest land admeasuring 34.697 hectare
.
4. Pledge of 51% of share of our subsidiary company IA Hydro Energy Private Limited

** In respect of Fixed Assets acquired on finance lease as per Indian Accounting Standered on Leases (IND AS -116), the minimum lease rentals outstanding as on 31st, March 2021 are as follows:

(Amount in ₹ Million)

Due	Total Minimum Lease Payments Outstanding as at		Interest not due		Present Value of the minimum lease payments as at	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Not later than one year	**68.35**	71.43	**11.38**	13.85	**56.97**	57.58
Later than one year and not later than five years	**89.35**	84.50	**12.63**	10.87	**76.73**	73.63
Later than five year	**7.94**	9.54	**2.43**	2.43	**5.51**	7.11

Due	Total Minimum Lease Payments Outstanding as at		Interest not due		Present Value of the minimum lease payments as at	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Not later than one year	**71.43**	56.23	**13.85**	9.92	**57.58**	46.31
Later than one year and not later than five years	**84.50**	68.76	**10.87**	13.88	**73.63**	54.88
Later than five year	**9.54**	20.24	**2.43**	3.62	**7.11**	16.62

16 PROVISONS - NON CURRENT

(Amount in ₹ Million)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Provision for employee benefits			
Provision for Gratuity	**108.77**	96.41	71.30
TOTAL	**108.77**	96.41	71.30

17 DEFERRED TAX LIABILITY **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Deffered Tax Liability			
- Difference between Book & Tax base related to PPE	**1,284.28**	1,180.04	1,103.37
- Difference between Book & Tax base related to Investments	**0.26**	0.04	0.12
TOTAL (A)	**1,284.54**	1,180.09	1,103.49
Deffered Tax Assets			
- Unabsorbed Depreciation & Carried Forward Losses	**227.09**	245.01	278.91
- Disallowance u/s 43B of Income Tax 1961	**28.99**	38.30	33.95
TOTAL (B)	**256.07**	283.31	312.87
Net Liability (A-B)	**1,028.46**	896.77	790.63
MAT Credit Entiltlement	**(189.72)**	(646.96)	(656.29)
TOTAL	**838.74**	249.81	134.34

RECONCILLIATION OF DEFERRED TAX LIABILITY **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Deffered Tax Liability at the beginning of the year	**896.77**	790.63	711.86
Deffered Tax (Income) / Expense Recognized During the Period in Profit & Loss	**131.47**	106.23	78.73
Deffered Tax (Income) / Expense Recognized During the Period in Other Comprehensive Income	**0.22**	(0.08)	0.03
Deffered Tax Liability at the End of the year	**1,028.46**	896.77	790.63

MOVEMENT IN MAT CREDIT ENTITLEMENT **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Balance at the beginning of the year	**646.96**	656.29	702.25
Add : Mat Credit entitlement availed during the year	**-**	-	-
Less : Mat Credit entitlement utilised during the year	**457.24**	9.33	45.97
Balance at the end of the year	**189.72**	646.96	656.29

18 CURRENT FINANCIAL LIABILITIES - BORROWINGS **(Amount in ₹ Million)**

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Loans Repayable on Demand			
Secured :			
Cash Credit Limit (State Bank of India)*	**1,071.05**	1,100.88	949.20
Cash Credit Limit I (Bank of Baroda)*	**1,425.98**	1,512.86	1,461.71
Cash Credit Limit (Bank of Maharastra)*	**568.42**	585.33	558.38
Cash Credit Limit I (Bank of Baroda)	**-**	66.52	12.62
TOTAL	**3,065.45**	3,265.58	2,981.91

Note : (i) There is no default during the financial year, in repayment/Interest of any of above Loans

(A) Primary Security :

Security and terms & conditions for above loans Repayable on Demand : *

Working Capital Facilities, granted under a consortium finance from State Bank of India, Commercial Branch, Raipur working as a lead banker are secured by hypothecation of entire stocks of raw material, finished goods, stocks in trade, Stores and spares, packing material, and other current assets of the company at their factory premises or at some other as approved by bank including goods in transit, outstanding moneys, books in debt, receivable etc. on first parri-passu basis with other consortium member viz. Bank of Baroda, Corporate financial services Branch, and Bank of Maharashtra, Main Branch Raipur.

(B) Collateral Security :

Fixed Assets of the Company with other WC lenders viz. Bank Of Baroda, Bank of Maharashtra and subordinated debt.

19 Trade Payable (Amount in ₹ Million)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Total outstanding dues of Micro & Small Enterprises	**10.82**	10.08	11.78
Total outstanding dues of creditors other than Micro & Small Enterprises	**1,530.41**	2,197.14	2,092.08
TOTAL	**1,541.23**	2,207.22	2,103.86

Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company):

Description	As at 31.03.2021	As at 31.03.2020	As at 31.03.2019
Principal amount due outstanding as at end of year	10.82	10.08	11.78
Principal amount overdue more than 45 days	-	-	-
Interest due and unpaid as at end of year	-	-	-
Interest paid to the supplier	-	-	-
Payments made to the supplier beyond the appointed day during the year	-	-	-
Interest due and payable for the year of delay	-	-	-
Interest accrued and remaining unpaid as at end of year	-	-	-
Amount of further interest remaining due and payable in succeeding year	-	-	-

20 CURRENT FINANCIAL LIABILITIES - OTHERS (Amount in ₹ Million)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Current Maturities of Long term Borrowings from Bank			
Secured :			
Term Loans - State Bank of India I	**119.61**	68.35	102.52
Term Loans - State Bank of India II (Covid Assistance Loan)	**74.70**	-	-
Term Loans III (Bank of India)	**43.19**	24.68	37.02
Term Loans - Bank of Baroda I	**135.21**	77.26	115.89
Term Loans - Bank of Baroda II	**72.85**	-	-
Term Loans - Bank of Baroda III (Covid Assistance Loan)	**103.19**	-	-
Term Loans from Karnataka Bank	**22.80**	13.02	19.46
Term Loans II (Karnataka Bank)	**7.90**	4.61	6.80
Term Loans - Bank of Maharashtra	**67.38**	-	-
Term Loans I (Bank of Baroda)	**-**	42.53	72.91
Term Loans II (Bank of India)	**-**	41.34	70.86
Term Loans III (Bank of Maharashtra)	**-**	34.44	59.04
Term Loans IV (Corporation Bank)	**-**	41.30	70.80
Term Loans V (Bank of Baroda)	**-**	2.36	3.94
Term Loans VI (Bank of India)	**-**	2.27	3.84
Term Loans VII (Bank of Maharashtra)	**-**	1.89	3.19
Term Loans VIII (Corporation Bank)	**-**	13.30	22.80
Current Maturities of Long term Borrowings from Others			
Secured :			
Indian Renewable Energy Development Agency Limited	**103.13**	-	-
Unsecured :			
LIC Housing Finance Limited	**16.18**	14.55	13.08
Current Maturities of Finance Lease Obligations	**56.97**	57.58	46.31
Others			
Creditors for Capital goods	**41.69**	75.77	26.76
CSEB Cross Subsidy Payable (Note No. 45)	**128.28**	128.28	128.28
Other Expenses payables *	**103.49**	144.81	114.02
TOTAL	**1,096.56**	788.34	917.53

* Other Expenses payables stated above include expenses payable to Enterprises under control of KMP & their Relatives	**6.18**	6.18	-

21 OTHER CURRENT LIABILITIES (Amount in ₹ Million)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Other Payables			
Advances from Customers *	**108.73**	98.27	47.30
Statutory Dues Payable	**180.31**	271.80	143.24
TDS Payable	**33.31**	14.96	10.80
TOTAL	**322.35**	385.02	201.35

* Advances from Customers stated above			
Enterprises under control of KMP & their Relatives	**2.62**	34.28	-

22 SHORT TERM PROVISIONS (Amount in ₹ Million)

PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2019
Provision for employee benefits	**83.72**	71.21	40.49
TOTAL	**83.72**	71.21	40.49

23 REVENUE FROM OPERATIONS (Amount in ₹ Million)

PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
Sale of Products			
- Finished Goods	**25,712.59**	22,141.10	23,778.00
- Trading Goods	**3,882.04**	3,789.15	2,517.24
Sale of Services			
- Electricity	**567.63**	692.15	525.31
Other Operating Revenue	**149.85**	14.71	31.77
TOTAL	**30,312.11**	26,637.12	26,852.32

24 OTHER INCOME (Amount in ₹ Million)

PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
Interest Income			
Interest on Margin Money	**16.35**	13.80	12.38
Other Interest Income	**148.31**	88.58	93.97
Other Sources :			
Rental Income	**3.53**	5.16	4.62
Insurance Claim Received	**0.85**	1.02	0.40
Dividend	**0.04**	0.00	-
Miscellaneous Income	**103.22**	32.57	23.35
Write Off (Sundry Balances)	**3.21**	0.36	2.40
Profit/Loss on Exchange Difference	**55.72**	9.60	4.62
TOTAL	**331.21**	151.09	143.88

25 COST OF MATERIAL CONSUMED (Amount in ₹ Million)

PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
Opening Stock	**2,743.89**	2,181.16	910.85
Purchases	**20,057.19**	17,058.14	17,877.73
	22,801.08	19,239.30	18,788.58
Less: Sale / Disposal	**2,460.78**	1,215.99	1,608.05
Closing Stock	**3,602.36**	2,743.89	2,181.16
	6,063.14	3,959.89	3,789.21
Raw Material Consumed	**16,737.94**	15,279.41	14,999.37

26 (INCREASE)/DECREASE IN STOCK IN TRADE (Amount in ₹ Million)

PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
Closing Stock of Finished Goods	**1,644.73**	1,255.42	854.79
Closing Stock of Traded Goods	**8.54**	29.53	55.37
	1,653.26	1,284.95	910.16
Less: Opening Stock of Finished Goods	**1,255.42**	854.79	968.81
Less: Opening Stock of Traded goods	**29.53**	55.37	-
	1,284.95	910.16	968.81
(Increase)/ Decrease in stock of finished goods	**(368.31)**	(374.79)	58.65
Net (Increase)/Decrease in stock of finished goods	**(368.31)**	(374.79)	58.65

27 EMPLOYEES BENEFIT EXPENSES (Amount in ₹ Million)

PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
Salaries, Wages & Other Benefits	**820.59**	735.32	616.07
Contribution to Provident and Other Funds	**56.40**	52.58	41.57
Staff & Workers Welfare Expenses	**18.21**	14.60	8.88
TOTAL	**895.21**	802.50	666.52

28 FINANCIAL COSTS **(Amount in ₹ Million)**

PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
Other Borrowing Cost	**43.39**	2.78	1.83
Interest Expenses			
-- Interest on Term Loan	**804.60**	873.50	793.12
-- Interest on CC	**282.83**	442.52	524.58
-- Interest on Others	**153.85**	122.94	129.09
Less : Amount included in Capital Work-in- Progress (ie. Capitalised)	**86.87**	5.25	-
TOTAL	**1,197.80**	1,436.48	1,448.63

29 OTHER EXPENSES **(Amount in ₹ Million)**

PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
Manufacturing Expenses			
Power & Fuel	**418.46**	523.57	497.23
Manufacturing Wages	**422.96**	383.14	371.18
Consumption of Stores & Spares	**900.57**	780.61	779.09
Repair & Maintenance			
- Factory Building	**45.09**	18.13	15.60
- Plant & Machinery	**124.46**	103.62	172.59
Insurance Charges	**35.90**	10.34	14.22
Water Cess Expenses	**24.12**	27.84	27.88
Royalty & Other Manufacturing Expenses	**493.93**	299.41	284.87
Administrative Expenses			
Payment to Auditor (Note No. 29.1)	**2.83**	2.76	2.27
Internal Auditor Remuneration	**1.05**	1.17	1.21
Director's Remuneration	**38.40**	38.40	13.99
Director's Sitting Fees	**0.58**	0.58	0.78
Bank Charges	**90.10**	73.87	63.85
Corporate Social Responsibility (Note No. 29.2)	**43.97**	32.73	16.53
Hiring Charges	**18.99**	15.26	3.46
Insurance Expenses	**10.56**	22.41	11.84
Subscription to Association & Membership Fees	**5.50**	2.54	1.72
Loss on Sale of Fixed Assets	**0.42**	2.03	0.70
Loss on Exchange Differences	**-**	16.76	-
Legal & Professional Charges	**79.61**	54.87	110.51
Office & General Expenses	**44.39**	29.63	(50.37)
Rent, Rates and Taxes	**12.87**	14.28	31.20
Printing & Stationary Expenses	**3.43**	3.32	3.10
Allowance for Credit Loss	**6.99**	1.73	2.57
Registration & Renewal Fees	**10.48**	8.04	8.27
Environmental Expenses	**2.21**	4.98	13.57
Repair & Maintenance (Others)	**111.88**	91.46	29.21
Director's Traveling Expenses	**8.12**	13.66	7.52
Traveling Expenses (Other)	**38.21**	56.49	37.52
Testing & Inspection Charges	**5.93**	4.65	2.13
Communication Expenses	**4.81**	5.49	4.96
Canteen Expenses	**12.75**	9.17	5.76
Compensation Expenses	**-**	0.07	0.02
Conveyance Expenses	**6.19**	6.43	8.04
Penalty & Fine	**0.58**	1.29	0.30
Selling & Distribution Expenses			
Advertisement & Publicity	**273.49**	211.87	228.93
Carriage Outward	**994.89**	370.23	91.38
Sales Commission	**126.64**	142.88	133.27
Sales Promotion & Planning	**109.99**	58.29	35.82
Finished Goods Handling Charges	**110.87**	35.84	15.84
Rebate & Discount	**60.57**	16.65	0.11
Sales Tax, Service Tax & Custom Duty	**12.55**	8.95	1.43
Power Distribution Charges & Discount	**60.00**	123.60	177.52
TOTAL	**4,775.31**	3,629.01	3,177.60

29.1 Payment to Auditors

(Amount in ₹ Million)

S.N.	PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
(a)	Statutory Audit Fees	2.26	2.24	1.82
(b)	Tax Audit Fees	0.35	0.47	0.30
(c)	Cost Audit Fees	0.19	0.18	0.14
(d)	Secreterial Audit Fees	0.02	0.02	0.02

29.2 Corporate Social Responsibilities (CSR)

(i) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 42.49 millions (Previous Year Rs. 32.47 Millions)

(ii) Expenditure related to Corporate Social Responsibilities Rs. 43.97 Millions (Previous Year Rs.32.73 Millions).

Details of amount spend towards CSR given below :

(Amount in ₹ Million)

S.N.	PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
(a)	Promoting Education	**20.62**	9.35	6.25
(b)	Promoting Sports	**0.23**	0.44	0.83
(c)	Healthcare, Medical Facilities & Sanitation	**14.11**	1.34	2.51
(d)	Setting up Old age Home	**-**	2.08	1.95
(e)	Making available safe Drinking Water	**0.50**	2.97	1.28
(f)	Environmental Sustainability and Conserving Natural Resources	**0.93**	13.35	0.05
(g)	Protection of National Heritage, Restoration of Buildings & Sites of historical Imprtance	**3.60**	-	1.00
(h)	Disaster Relief Fund	**-**	0.50	0.50
(i)	Rural Development	**3.97**	2.70	1.91
	GRAND TOTAL	**43.97**	**32.73**	**16.53**

30 CURRENT TAX

(Amount in ₹ Million)

PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
Current Tax (MAT)	**778.28**	328.93	715.07
Add : Taxes for Earlier Years	**0.00**	(11.31)	(3.11)
Net Current Tax	**778.28**	317.62	711.97
Deferred Tax :			
Deferred Tax to be recognized in Profit & Loss Account	**131.47**	106.23	78.73
Mat Credit (Availed) / utilized during the year	**457.24**	9.33	45.97
	588.71	115.55	124.69
Deferred Tax to be recognized in Other Comprehensive Income	**0.22**	(0.08)	0.03
	1,367.21	433.09	836.69

31 EARNING PER EQUITY SHARE

(Amount in ₹ Million, unless stated otherwise)

PARTICULARS	For the Period Ended 31.03.2021	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
Profit / (Loss) after Taxation as per Profit & Loss Account	**2,995.98**	1,404.81	2,373.26
Weighted Avg. No. of Equity Share Outstanding	**52.28**	52.28	52.28
Basic / Diluted Earning / (Loss) per Share of Rs. 10/-	**57.30**	26.87	45.39

32 EMPLOYEE BENEFITS

(i) Gratuity

As per IND AS 19 "Employee benefits", the disclosures as defined are given below:

a. Defined Contribution Plans : -

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

(Amount in ₹ Million)

Benefit (Contribution to)	31.03.2021	31.03.2020	31.03.2019
Employer’s Contribution to Provident Fund	**44.73**	39.77	26.77
Employer’s Contribution to Employee State Insurance	**11.43**	12.02	14.64

b. Defined Benefit Plan :-
Gratuity
The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part therof in excess of 6 month and its payable on retirement / termination/ resignation.The benefit vests on the employees after completaion of 5 Year of service. The gratuity liability has not been externally funded.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Gratuity (Non-funded)
(Amount in ₹ Million)

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	31.03.2021	31.03.2020	31.03.2019
Defined Benefit obligation at beginning of year	**107.88**	82.85	66.95
Current Service Cost	**18.03**	16.47	12.43
Interest Cost	**7.55**	5.68	5.04
Actuarial (gain) / loss	**(6.59)**	6.28	1.50
Benefits paid	**(3.61)**	(3.41)	(3.06)
Defined Benefit obligation at year end	**123.26**	107.88	82.85

II) Reconciliation of Opening and Closing balances of fair value of Plan Assets

Particulars	31.03.2021	31.03.2020	31.03.2019
Fair value of Plan Assets at beginning of year	**-**	-	-
Expected Return on Plan Assets	**-**	-	-
Acturial Gain/(Loss)	**-**	-	-
Employer Contribution	**-**	-	-
Benefits Paid	**-**	-	-
Fair value of Plan Assets at year end	**-**	-	-
Actual return on Plan Assets	**-**	-	-

III) Reconciliation of fair Value of Assets and Obligations

Particulars	31.03.2021	31.03.2020	31.03.2019
Defined Benefit obligation	**123.26**	107.88	82.85
Fair value of Plan assets	**-**	-	-
Amount recognised in Balance Sheet	**123.26**	107.88	82.85

IV) Expenses recognised during the year

Particulars	31.03.2021	31.03.2020	31.03.2019
In Income Statement			
Current Service Cost	**18.03**	16.47	12.43
Interest Cost	**7.55**	5.68	5.04
Expected return on Plan assets	**-**	-	-
Net Cost	**25.58**	22.15	17.46
In Other Comprehensive Income			
Actuarial (gain) / loss	**(6.59)**	6.28	1.50
Return on Plan Assets	**-**	-	-
Net (Income)/Expenses for the period recognised in OCI	**(6.59)**	6.28	1.50

V)

Actuarial assumptions	31.03.2021	31.03.2020	31.03.2019
Mortality Table (LIC) Ultimate	**IALM (2006-08) TABLE**		
Discount rate (per annum)	**7.70%**	7.70%	7.70%
Expected rate of return on plan assets (per annum)	**NA**	NA	NA
Rate of escalation in salary (per annum)	**6.00%**	6.00%	6.00%
Expected Average remaining working working lives of employees Years)	**21.22**	21.22	21.22

Principal Plan is under Payment of Gratuity Act 1972 (as amended up to date).

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

VI)

Quantitative Sensitivity analysis for significant assumption is as below:	31.03.2021	31.03.2020	31.03.2019
Salary Escalation (Up by 1%)	**135.90**	1,158.79	1,158.79
Salary Escalation (Down by 1%)	**112.26**	954.24	954.24
Discount Rate (Up by 1%)	**112.76**	958.82	958.82
Discount Rate (Down by 1%)	**135.53**	1,155.36	1,155.36

(ii) Leave Encashment
The obligation for leave encashment is recognised during the year of Rs. 11.01/- Millions (P.Y. Rs. 8.18/- Millions), is equivalent to one month salary and charged to Profit & Loss Account.

33 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also enters into derivative contracts.

The Company is exposed to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Interest Rate Risk
- Currency Risk
- Price Risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties non performance or default on their obligations. The Company's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. The Company's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this the Company periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

Trade receivables

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

Loans and Advances

Financial assets in the form of loans and advances are written off when there is no reasonable expectations of recovery. Where recoveries are made, these are recognise as income in the statement of profit and loss. The company measures the expected credit loss of dues based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and passed trends. Based on historical data, loss on collection of dues is not material hence no additional provisions considered.

Bank, Cash and cash equivalents

Bank, Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(Amount in ₹ Million)

Particular	31.03.2021	31.03.2020	31.03.2019
Trade receivables	**1,785.94**	678.42	960.77
Loans and advances	**1.60**	199.57	31.05
Bank, Cash and cash equivalents	**475.20**	348.04	194.18

(Amount in ₹ Million)

Particular	31.03.2021	31.03.2020	31.03.2019
Trade receivables (measured under life time excepted credit loss model)			
Opening balance	**10.08**	8.35	5.78
Provided during the year	**6.99**	1.73	2.57
Reversal of provision	**-**	-	-
Closing balance	**17.07**	10.08	8.35

No significant changes in estimation techniques or assumptions were made during the reporting period

Liquidity risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

(Amount in ₹ Million)

Partiular	31.03.2021	31.03.2020	31.03.2019
Term Loan	**29.13**	456.74	-
Cash Credit facilities	**184.55**	50.94	280.71

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

(Amount in ₹ Million)

As At 31st March' 2021	Less than 1 yr	1 -5 Years	More than 5 Year	Total
Borrowing	3,888.55	5,296.29	3,497.43	12,682.27
Trade Payable	1,541.23	-	-	1,541.23
Other financial liabilities	273.46	-	-	273.46

(Amount in ₹ Million)

As At 31st March' 2020	Less than 1 yr	1 -5 Years	More than 5 Year	Total
Borrowing	3,705.05	4,972.21	3,668.77	12,346.04
Trade Payable	2,207.22	-	-	2,207.22
Other financial liabilities	348.87	-	-	348.87

(Amount in ₹ Million)

As At 31st March' 2019	Less than 1 yr	1 -5 Years	More than 5 Year	Total
Borrowing	5,275.29	3,062.79	3,497.52	11,835.60
Trade Payable	2,103.86	-	-	2,103.86
Other financial liabilities	269.06	-	-	269.06

Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the company. The Company is exposed to long term and short-term borrowings, Commercial Paper Program. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

(Amount in ₹ Million)

	31.03.2021	31.03.2020	31.03.2019
Variable rate borrowings	**12,682.27**	12,346.04	11,835.60
Fixed rate borrowings	**-**	-	-

b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

(Amount in ₹ Million)

Particular	Impact on profit after tax		
	31.03.2021	31.03.2020	31.03.2019
Interest rates - increase by 70 basis points	**(88.78)**	(86.42)	(82.85)
Interest rates - decrease by 70 basis points	**88.78**	86.42	82.85

FOREX EXPOSURE RISK

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through purchases from overseas suppliers in various foreign currencies.

Foreign currency exchange rate exposure is partly balanced by purchasing of goods in the respective currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like interest rate swap to hedge exposure to foreign currency risk.

Particular		Currency in Million		
		31.03.2021	31.03.2020	31.03.2019
Borrowings	USD	**16.33**	-	-
Trade Payables	USD	**0.67**	0.55	2.71
Trade Receivable	USD	**10.83**	-	-

Profit or loss estimate to higher/lower as a result of changes in foreign exchange rates-

Particular		Currency in Million		
		Impact on profit after tax		
		31.03.2021	31.03.2020	31.03.2019
Foreign exchange rates - increase by 1%	USD	**0.62**	0.06	0.27
Foreign exchange rates - derease by 1%	USD	**(0.62)**	(0.06)	(0.27)

PRICE RISK:

The entity is exposed to equity price risk, which raised out from FVTOCI quoted and unquoted equity shares. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

34 CAPITAL MANAGEMENT

The Company's main objectives when managing capital are to :

- ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business;
- ensure compliance with covenants related to its credit facilities; and
- minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions.
- safeguard its ability to continue as a going concern
- to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity.

(Amount in ₹ Million)

Particular	31.03.2021	31.03.2020	31.03.2019
Total Liability (A)	12,682.27	12,346.04	11,835.60
Less : Bank, Cash and cash equivalent (B)	475.20	348.04	194.18
Net debt (C=A-B)	**12,207.07**	**11,997.99**	**11,641.42**
Total equity (excl. Revaluation Reserve) (D)	11,549.21	8,425.37	6,967.80
Net debt to equity ratio (C/D)	**1.06**	**1.42**	**1.67**
Debt to equity ratio (A/D)	**1.10**	**1.47**	**1.70**

35 FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

   The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique :

   Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities

   Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly of indirectly

   Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

(Amount in ₹ Million)

Particular	Carrying Amount	Level 1	Level 2	Level 3
	As at 31.03.21			
Financial assets at amortised cost:				
Investments	20.14	-	-	-
Trade receivables	1,785.94	-	-	-
Loans	1.60	-	-	-
Bank, Cash and bank balances	475.20	-	-	-
Other Financial Assets	139.32	-	-	-
	2,422.20	**-**	**-**	-
Financial assets at fair value through other comprehensive income:				
Investments	1.92	1.92	-	-
Total	**1.92**	**1.92**	**-**	-
Financial liabilities at amortised cost:				
Long term borrowings	9,616.82	-	-	-
Short term borrowings	3,065.45	-	-	-
Trade payables	1,541.23	-	-	-
Other financial liabilities	273.46	-	-	-
Total	**14,496.95**	**-**	**-**	-

Particular	Carrying Amount	Level 1	Level 2	Level 3
	As at 31.03.20			
Financial assets at amortised cost:				
Investments	21.05	-	-	-
Trade receivables	678.42	-	-	-
Loans	199.57	-	-	-
Bank, Cash and bank balances	348.04	-	-	-
Other Financial Assets	123.42	-	-	-
	1,370.50	**-**	**-**	-
Financial assets at fair value through other comprehensive income:				
Investments	1.20	1.20	-	-
Total	**1.20**	**1.20**	**-**	-
Financial liabilities at amortised cost:				
Long term borrowings	9,080.46	-	-	-
Short term borrowings	3,265.58	-	-	-
Trade payables	2,207.22	-	-	-
Other financial liabilities	348.87	-	-	-
Total	**14,902.12**	**-**	**-**	-

Particular	Carrying Amount	Level 1	Level 2	Level 3
	As at 31.03.19			
Financial assets at amortised cost:				
Investments	211.24	-	-	-
Trade receivables	9,607.67	-	-	-
Loans	310.47	-	-	-
Bank, Cash and bank balances	1,941.76	-	-	-
Other Financial Assets	1,154.45	-	-	-
	13,225.58	**-**	**-**	-
Financial assets at fair value through other comprehensive income:				
Investments	9.50	9.50	-	-
Total	**9.50**	**9.50**	**-**	-
Financial liabilities at amortised cost:				
Long term borrowings	88,536.86	-	-	-
Short term borrowings	29,819.13	-	-	-
Trade payables	21,038.62	-	-	-
Other financial liabilities	2,690.62	-	-	-
Total	**1,42,085.23**	**-**	**-**	-

36 COMMITMENT AND CONTINGENT LIABILITIES

Contingent Liabilities and Capital Commitments are not provided for in respect of :- **(Amount in ₹ Million)**

SN	Description	31.03.2021		31.03.2020		31.03.2019	
		Value of Liability	Margin Money	Value of Liability	Margin Money	Value of Liability	Margin Money
i)	Claims against the group / disputed tax liabilities not acknowledged as debt	**1,447.61**	**NA**	660.79	NA	390.50	NA
ii)	Bank Guarantees Outstanding	**384.49**	**5.33**	369.99	5.05	311.12	5.46
iii)	Discounted Letter of Credit & Guarantee	**216.93**	**0.00**	353.51	0.00	595.25	NA
iv)	Jointly and severely corporate guarantee to the bank on behalf of Subsidiary Company	**2,250.00**	**NA**	3,311.00	NA	3,311.00	NA
v)	Estimated amount of contracts remaining to be executed on capital account and not provided for	**1,251.68**	**NA**	610.47	NA	1,096.50	NA
		5,550.71	**5.34**	**5,305.75**	**5.06**	**5,704.37**	**5.46**

37 CONTINGENT ASSETS

CONTINGENT ASSETS

Directorate of Industries, Chhattisgarh has issued a certificate no. 242 dated 22/02/2018 to the company confirming exemption from payment of Entry Tax for its IRON ORE BENEFICATION plant at Tilda Unit. Accordingly, an Entry Tax recoverable amount of Rs. 5.02 Crores is due for the period from 10/08/2013 to 30/06/2017. The amount has not been claimed earlier due to belated receipt of exemption certificate. The company has not collected the same amount from customer and the Same has been paid as a production cost. During the year a refund of Rs. 1.20 Crores has been approved by Assesing Officer against order dtd. 29-06-2020. The same amount has been Shown as "Exceptional Item" in "Statement of Profit and loss" and the corresponding receivable has been Shown under the head "Current Financial Assets - Others" in Note 11.

38 Balances of the trade receivable, trade payable, loans and advances etc. are subject to confirmation and reconciliation.

39 In the opinion of the Board, the value of realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.

40 Information on Related Party as required by IND AS-24, "Related Party Disclosures" issued by The Institute of Chartered Accountants of India, are given below :

i) Related Parties

a) Subsidiary (Control Exist)

-- IA Hydro Energy Private Limited
-- Shri Bajrang Energy Private Limited
-- Shri Bajrang Steel Corporate Limited
-- S B Power

b) Enterprises Under Control of KMP & their Relatives

-- Shri Bajrang Alliance Limited
-- S. B. Multimedia Private Limited
-- Shri Bajrang Ispat & Plywood Limited
-- Shimmer Investment Private Limited
-- Swastik Mercantiles Limited
-- Jainarayan Hariram Goel Charitable Trust
-- Shri Bajrang Hydro Energy Private Limited
-- Banka Finance & Securites Private Limited
-- Atlanta Securities Private Limited
-- Shri Bajrang Agro Processing Limited
-- Shri Bajrang Commodity
-- Ginni Devi Goel & Sons

c) Key Management Personnel

-- Narendra Goel
-- Sandeep Goel
-- Shravan Kumar Goyal
-- Parul Verma

d) Directors & their Relatives

-- Suresh Goel
-- Rajendra Goel
-- Anand Goel
-- Pawan Goel
-- Sarla Goel
-- Neeta Goel
-- Aruna Goel
-- Kiran Goel
-- Dinesh Goel
-- Bajrang Goel
-- Ashutosh Goel
-- Archit Goel
-- Suman Goel
-- Rashmi Goel
-- Esha Goel
-- Ankita Goel
-- Ayush Goel
-- Shimmer Goel

ii) Transaction with Related Parties in the ordinary course of business **(Amount in ₹ Million)**

		31.03.2021	31.03.2020	31.03.2019
Subsidiary	Purchase of Materials	**1.13**	3.39	8.04
	Purchase of Fixed Assets	**4.47**	4.40	2.40
	Sale of Materials	**2.00**	2.51	0.64
	Investments	**2,385.44**	2,375.44	2,375.44
	Interest Income	**6.35**	-	22.20
	Outstandings			
	Receivables	**-**	4.27	-
Joint Venture	Investments	**30.69**	30.69	30.69
	Outstandings			
	Payables	**6.18**	6.18	-
Enterprises Under Control of KMP & their Relatives	Purchase of Materials	**837.24**	1,149.32	80.30
	Purchase of Fixed Assets	**0.49**	-	-
	Sale of Materials	**441.76**	606.99	600.43
	Interest Expense	**32.32**	26.14	38.78
	Interest received	**22.04**	14.42	26.77
	Service Received	**150.00**	96.00	120.00
	Service Provided	**-**	2.00	-
	Investments	**0.01**	0.01	0.01
	Outstandings			
	Payables	**505.34**	448.02	890.68
	Receivables	**206.18**	331.20	122.84
Key Management, Directors & their Relatives	Remuneration Paid	**114.01**	97.76	42.21
	Service Received	**0.05**	-	2.00
	Payables	**-**	103.84	28.84
	Receivables	**106.40**	0.50	0.80
	Sale of Materials	**-**	0.54	0.31
	Purchase of Materials	**2.58**	0.43	0.90

iii) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year

(Amount in ₹ Million)

Purchase of Materials:	31.03.2021	31.03.2020	31.03.2019
Shri Bajrang Alliance Limited	**86.61**	94.42	76.73
IA Hydro Energy Private Limited	**1.13**	1.43	0.84
Shri Bajrang Energy Private Limited	**-**	1.96	7.20
Narendra Goel (Dolomite Mines)	**2.58**	0.43	0.90
Shimmer Investment Private Limited	**734.80**	1,044.28	1.78
Shri Bajrang Ispat & Plywood Limited	**15.84**	8.40	1.78
Shri Bajrang Agro Processing Ltd	**-**	2.21	-

Purchase of Fixed Assets:	31.03.2021	31.03.2020	31.03.2019
IA Hydro Energy Private Limited	**4.47**	4.40	2.40
Shri Bajrang Alliance Limited	**0.49**	-	-

Sale of Materials:	31.03.2021	31.03.2020	31.03.2019
Shri Bajrang Alliance Limited	**436.49**	593.82	594.34
Shri Jainarayan Hariram Goel Charitable Trust	**0.91**	0.29	4.37
IA Hydro Energy Private Limited	**1.97**	2.51	0.64
Shri Bajrang Steel Corporate Limited	**0.03**	-	-
S.B.Multimedia Pvt. Ltd.	**0.01**	-	1.09
Shravan Kumar Goyal	**-**	0.54	0.31
Shri Bajrang Commodity	**2.35**	-	-
Shri Bajrang Agro Processing Ltd	**-**	10.36	-

Service Received:	31.03.2021	31.03.2020	31.03.2019
S.B.Multimedia Pvt. Ltd.	**150.00**	96.00	120.00
Shravan Kumar Goyal	**0.05**	-	-
Ayush Goel	**-**	-	2.00

Service Provided:	31.03.2021	31.03.2020	31.03.2019
Shri Bajrang Alliance Limited	**-**	2.00	-

Interest Expenses :	31.03.2021	31.03.2020	31.03.2019
Banka Finance & Securites Private Limited	**1.96**	16.45	22.75
Shimmer Investment Pvt. Ltd.	**17.27**	1.62	8.11
Shri Bajrang Ispat & Plywood Limited	**12.13**	0.04	-
S.B.Multimedia Pvt. Ltd.	**0.67**	7.41	7.91
Atlanta Securities Private limited	**0.29**	0.61	-

Interest Income:	31.03.2021	31.03.2020	31.03.2019
Shri Bajrang Ispat & Plywood Limited	**11.63**	6.62	6.25
I A Hydro Energy Private Limited	**-**	-	20.12
S.B. Power	**6.22**	-	2.08
Shri Bajrang Energy Private Limited	**0.13**	-	-
Shimmer Investments Private Limited	**-**	-	0.40
Shri Bajrang Alliance Limited	**10.27**	6.35	-
Shri Bajrang Agro Processing Limited	**0.14**	1.45	-

Remuneration Paid:	31.03.2021	31.03.2020	31.03.2019
Shri Narendra Goel	**10.40**	9.60	4.03
Shri Rajendra Goel	**10.40**	9.60	3.73
Shri Anand Goel	**10.40**	9.60	2.77
Shri Suresh Goel	**10.40**	9.60	3.47
Pawan Goel	**6.50**	6.00	2.46
Sandeep Goel	**7.80**	7.20	3.51
Ashutosh Goel	**6.50**	6.00	2.76
Bajrang Goel	**6.50**	6.00	1.90
Suman Goel	**3.32**	3.06	1.80
Sarla Goel	**3.32**	3.06	1.05
Shimmer Goel	**3.90**	3.60	1.22
Smt.Aruna Goel	**3.32**	3.06	1.05
Smt.Neeta Goel	**3.32**	3.06	1.05
Smt.Kiran Goel	**3.32**	3.06	1.80
Aayush Goel	**6.50**	6.00	2.76
Anjali Goel	**3.32**	3.06	2.04
Ankita Goel	**3.32**	3.06	2.16
Akanksha Goel	**3.19**	-	-
Avaneesh Goel	**3.19**	-	-
Pranav Goel	**1.95**	-	-
Parul verma	**0.68**	0.69	0.58
Shri Shravan Kumar Goyal	**2.50**	2.45	2.08

41 SEGMENT-WISE REVENUE RESULTS :

(i) The Company is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation. The information relating to revenue from domestic and external customers of its single reportable segment has been disclosed as below :

(Amount in ₹ Million)

Particular	For the year Ended 31st March, 2021		For the year Ended 31st March, 2020		For the year Ended 31st March, 2019	
	Domestic	Export	Domestic	Export	Domestic	Export
Revenue From Operation	-	-	25,168.72	1,454.20	26,664.11	122.11

42 Additional information as required by paragraph 2 of the General Instruction for preparation of Restated Consolidated Financial Statements to the Schedule III to the Companies Act, 2013:

(Amount in ₹ Million)

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
(a) Parent						
(i) Shri Bajrang Power & Ispat Limited	100.57%	12,430.59	101.10%	3,019.29	108.28%	10.46
(b) Subsidiaries						
(i) Shri Brajang Energy Private Limited	0.67%	83.00	0.02%	0.70	-	-
(ii) IA Hydro Energy Private Limited	15.82%	1,955.22	-0.99%	(29.60)	-8.55%	(0.83)
(iii) SB Power (Partnership Firm)	0.00	1.00	-	-	-	-
(iv) Shri Bajrang Steel Corporate Limited	0.00	8.94	-0.04%	(1.06)	0.00%	-
(v) Adjustment arising out of consolidation	-17.05%	(2,107.75)	-0.10%	(3.10)	0.27%	0.03
(c) Joint Venture						
(i) Chattisgarh Captive Coal Mining Limited	-0.09%	(10.56)	0.00	0.09	-	-
TOTAL	**100.00%**	**12,360.45**	**100.00%**	**2,986.32**	**100.00%**	**9.66**

43 Further, As set out in sub section (3) of section 129 of the companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014, Statement containing salient features of the financial statement of subsidiaries is as follows:

S.N.	Particulars	SHRI BRAJANG ENERGY PRIVATE LIMITED			IA HYDRO ENERGY PRIVATE LIMITED		
		2020-21	**2019-20**	**2018-19**	**2020-21**	**2019-20**	**2018-19**
1	Reporting period	Reporting Period is same			Reporting Period is same		
2	Reporting Currency	INR in ₹ Million			INR in ₹ Million		
3	Share Capital	**2.53**	2.53	2.53	**325.00**	325.00	325.00
4	Other Equity	**80.47**	79.77	78.81	**1,630.22**	1,537.24	1,564.53
5	Total Assets	**83.22**	82.32	81.48	**5,882.21**	5,762.75	6,083.33
6	Total Liabilities	**83.22**	82.32	81.48	**5,882.21**	5,762.75	6,083.33
7	Investments	**71.49**	71.49	71.49	**-**	-	-
8	Gross Turnover (including other income)	**28.83**	3.30	7.69	**885.96**	795.84	990.07
9	Profit Before Taxation	**0.97**	1.32	0.58	**126.68**	12.20	(16.97)
10	Provision for Tax (including deferred Tax)	**0.27**	0.36	0.30	**32.88**	39.23	(7.54)
11	Profit After Taxation	**0.70**	0.96	0.28	**93.80**	(27.03)	(9.43)
12	Proposed Dividend	**-**	-	-	**-**	-	-
13	Percentage of Holding	**79.83%**	79.83%	79.83%	**90.46%**	90.46%	90.46%

S.N.	Particulars	S B POWER			SHRI BAJRANG STEEL CORPORATE LIMITED		
		2020-21	**2019-20**	**2018-19**	**2020-21**	**2019-20**	**2018-19**
1	Reporting period	Reporting Period is same			Reporting Period is same		
2	Reporting Currency	INR in ₹ Million			INR in ₹ Million		
3	Share Capital	**1.00**	1.00	1.00	**10.00**	-	-
4	Other Equity	**-**	-	-	**(1.06)**	-	-
5	Total Assets	**282.71**	254.31	227.07	**9.34**	-	-
6	Total Liabilities	**282.71**	254.31	227.07	**9.34**	-	-
7	Investments	**-**	-	-	**-**	-	-
8	Gross Turnover (including other income)	**-**	-	-	**-**	-	-
9	Profit Before Taxation	**-**	-	-	**(1.06)**	-	-
10	Provision for Tax (including deferred Tax)	**-**	-	-	**-**	-	-
11	Profit After Taxation	**-**	-	-	**(1.06)**	-	-
12	Proposed Dividend	**-**	-	-	**-**	-	-
13	Percentage of Holding	**51.00%**	51.00%	51.00%	**100.00%**	0.00%	0.00%

44 Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Salient features of Associate Companies and Joint Ventures as follows :

S.N.	Particulars	CHATTISGARH CAPTIVE COAL MINING PRIVATE LIMITED*		
		2020-21	**2019-20**	**2018-19**
1	Latest audited Balance Sheet Date	31.03.2021	31.03.2020	31.03.2019
2	Shares of JV/Associate held by the company on the year end (Numbers)	2,51,181	2,51,181	2,51,181
3	No. of Shares (Numbers)	13,22,273	13,22,273	13,22,273
4	Amount of Investment (₹ in Million)	30.69	30.69	30.69
5	Extend of Holding (in %)	19.00%	19.00%	19.00%
6	Description of how there is significant influence	Jointly Controlled Entity	Jointly Controlled Entity	Jointly Controlled Entity
7	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in Million)	140.59	140.10	141.69
8	Profit/Loss for the year (₹ in Million)	0.49	-0.40	-0.52
9	Considered in Consolidation (₹ in Million)	0.09	-0.08	-0.10
10	Not Considered in Consolidation (₹ in Million)	0.39	-0.32	-0.42

* Figures of 2020-21, 2019-20 & 2018-19 of Joint Venture are Unaudited.

45 As per the order of Hon'ble High Court Chhattisgarh Bilaspur order, The company is required to pay Rs. 1,696.64 Lakhs as charges for cross subsidy surcharge. The company has made part payment amounting to Rs. 413.81 Lakhs and final amount will be paid after decision of Hon'ble Apex Court. Balance amount is shown under other current financial liability (Note 20).

46. Material Adjustment to Restated Consolidated Summary Statement and notes thereon

(Amount in ₹ Million, unless specified)

Particular	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Net Profit as per Audited Financial Statement	3,118.50	1,459.09	2,310.33
Material Adjustment:			
Prior Period Items	(117.10)	3.28	64.36
Exceptional Items	(12.07)	(51.84)	-
Total Adjustments	(129.17)	(48.56)	64.36
Total Profit as per Restated Consolidated Financial Statement	2,989.33	1,410.53	2,374.70

1. Prior Period Items

The company on restatement, has identified prior period items and recognised in the Profit and Loss Statement in the year to which it pertains.

2. Exceptional Items

The company on restatement, has identified exceptional items and recognised in the Profit and Loss Statement in the year to which it pertains.

3. Tax impact on restated adjustments

Tax has been computed on adjustments made as detailed above and has been adjusted in the restated statement of profit and loss for the years.

4. Material Regroupings

Appropriate adjustments have been made in the respective years of Restated Consolidated Statements of Assets and Liabilities, Profits and Loss and Cash Flows, wherever required, by reclassification of the correcponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the company for the period ended in March 31, 2021, prepared in accordance with Revised Schedule III, and the the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirement) Regulations, 2009 (as amended)

47 Restated Consolidated Statement of Accounting Ratios

(Amount in ₹ Million, unless specified)

S.N.	Particulars		31/03/2021	31/03/2020	31/03/2019
	Basic earnings per share (Rs.) (refer note 3(a) below)	A/C	57.30	26.87	45.39
	Diluted earnings per share (Rs.) (refer note 3(b) below)	B/D	57.30	26.87	45.39
	Return on Net Worth (%) (refer note 3(c) below)	H/E	26.14%	16.97%	34.64%
	Net asset value per equity share (Rs.) (refer note 3(d) below)	E/F	218.75	159.00	131.13
1	Restated Total Comprehensive Income, attributable to equity shareholders	A	2995.98	1404.81	2373.26
	Add: Adjustment for loss on fair valuation of convertible preference shares		-	-	-
	Restated Total Comprehensive Income available for calculation of DEPS	B	2995.98	1404.81	2373.26
2	Weighted average number of equity shares considered for calculating basic earnings per share (in Million)	C	52.28	52.28	52.28
	Effect of dilution:				
	Stock option under ESOP		-	-	-
	Compulsory convertible preference shares		-	-	-
	Weighted average number of equity shares considered for calculating diluted earnings per share	D	52.28	52.28	52.28
3	**Restated Net Worth at the end of the year (refer note 5 below)**	E	11437.31	8313.47	6855.90
	Face value per share (in ₹)		10.00	10.00	10.00
	Total number of equity shares outstanding at the end of the year (in Million)	F	52.28	52.28	52.28
	Weighted average number of equity shares outstanding during the year, after giving the impact of bonus shares, used for diluted earning per share (in Million)	G	52.28	52.28	52.28
	Restated Profit / loss after tax, attributable to equity shareholders	H	2989.33	1410.53	2374.70

Notes

1 The figures disclosed above are based on the Restated Consolidated Summary Statements of the Company.

2 The above statement should be read with the Notes to the Restated Ind AS Consolidated Summary Statements - Accounting Policies and Statement of Restatement.

3 The Ratios have been computed as below:

a) Basic Earnings per share (Rs.) = $\frac{\text{Restated Total Comprehensive Income, attributable to equity shareholders}}{\text{Weighted average number of equity shares considered for calculating basic earnings per share}}$

b) Diluted Earnings per share (Rs.) = $\frac{\text{Restated Total Comprehensive Income, attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares}}$

c) Return on Net Worth (%) = $\frac{\text{Restated Profit/ (Loss) after tax, attributable to equity shareholders}}{\text{Restated Equity at the end of the year}}$

d) Net asset value per share (Rs.) = $\frac{\text{Restated Net Worth at the end of the year}}{\text{Total No. of equity Share outstanding at the end of the year}}$

4 Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

5 Equity includes Equity share capital + Other equity excluding revaluation reserve and amalgamation reserve.

6 Earnings per share calculations are in accordance with Ind AS 33 (Earnings per Share).

48 Restated Consolidated Summary of Tax Shelter

(Amount in ₹ Million, unless specified)

SN	PARTICULAR	31/03/2021	31/03/2020	31/03/2019
A	Restated Profit / (Loss) Before Tax	4356.32	1843.70	3211.36
B	Tax Rate	34.94%	34.94%	34.94%
C	Tax Thereon on Above Rate (A x B)	1522.27	644.26	1122.18
D	**Adjustment for Permanent Difference**			
1	**Expenses disallowed under Income Tax Act**			
	Loss on Sale of Fixed Assest & Investment	0.42	2.03	0.89
	Profit on Sale of Fixed Assest	0.00	0.00	-2.13
	Loss in Share of Subisidiary	0.00	0.00	0.00
	Interest on TDS	0.60	0.06	0.27
	Penalty & Fine	0.00	1.29	0.30
	Donation	4.70	0.55	2.27
	Corporate Social Responsibility	43.97	32.73	16.53
	Dividend Exempt Under IT ACT	0.00	0.00	0.00
	Deduction u/s 32AC	0.00	0.00	0.00
	IPO Expenses	0.00	0.00	26.80
	Deduction for Health & Education Cess	-29.09	0.00	0.00
	TOTAL (D)	**20.61**	**36.66**	**44.94**
E	**Adjustments for Timing Differences**			
	Difference in book depreciation and Depreciation under Income Tax Act 1961	-395.51	-551.37	-122.18
	Expenses allowable on payment basis	-0.18	-0.18	-0.18
	Provision for gratuity	21.98	18.74	13.52
	Provision for leave encashment	-0.39	0.68	1.17
	Provision for Bonus	2.18	2.86	4.09
	Provision for Doubtful advances	5.13	1.10	2.57
	Provision for Water Cess	-1.21	0.00	0.00
	Deduction allowed as per Sec. 35(2) & 35(2AB)	0.00	-6.97	-17.32
	Processing Fees	-9.29	0.00	0.00
	TOTAL (E)	**-368.01**	**-535.14**	**-118.33**
	Net Adjustments (D+E)	**-347.40**	**-498.48**	**-73.39**
	Taxable income/(loss) before set off of losses			
	Taxable Income for the year	4008.92	1345.22	3137.97
	Brought forward Losses			
	- Business Losses	554.44	499.95	499.95
	- Unabsorbed depreciation	442.38	490.06	402.30
	- Long term capital loss	12.59	13.12	13.06

49 Restated Consolidated Capitalisation

Capitalisation statement

(Amount in ₹ Million, unless specified)

Particular	Pre -Issue as at 31.03.2021	As adjusted for Issue*
Borrowing		
Short Term borrowings	3065.45	-
Non Current Borrowings (Including current maturities)	9616.82	-
Total Borrowings (A)	**12682.27**	**-**
Total Equity		
Equity Share capital	522.85	-
Other Equity**	11026.36	-
Total Equity (B)	**11549.21**	**-**
Total Capital (A+B)	**24231.48**	**-**
Total Borrowings/total equity (A/B)	**1.10**	**-**

*The corresponding post Issue capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.

**Other equity doesnot include Revaluation Reserve.

50 REMITTANCE IN FOREIGN CURRENCY

Value of import on CIF basis

(Amount in ₹ Million)

Particulars		2020-21		2019-20		2018-19	
		Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
Expenditure in Foreign Currency							
- Raw Materials	USD	**23.34**	**1,705.12**	5.69	415.39	10.12	710.33
- Stores & Spares	USD	**0.08**	**5.59**	0.04	2.84	0.03	2.04
	EURO	**-**	**-**	0.00	0.14	0.01	1.18
	JPY	**-**	**-**	1.22	0.89	-	-
- Capital Goods	USD	**1.26**	**95.34**	0.31	21.53	0.05	3.39
	EURO	**2.04**	**183.48**	1.33	104.87	-	-
	SEK	**1.21**	**10.87**	-	-	-	-
- Other Expenditure	USD	**7.66**	**567.61**	3.05	211.90	5.07	381.31
	GBP	**0.00**	**0.10**	0.01	0.89	-	-
Earning in Foreign Currency							
- Sale of Finished Goods							
Silico Manganese	USD	**0.49**	**34.93**	1.24	85.32	1.34	93.91
	EURO	**-**	**-**	-	-	0.35	28.20
Sponge Iron	USD	**-**	**-**	0.10	6.97	-	-
Ironore Pellet	USD	**47.51**	**3,237.85**	19.84	1,361.91	-	-

51 Inventories and consumption of stores materials have been taken as valued and certified by the management.

52 Calculations of Earnings before taxes, interest, depreciation and amortization expenses (EBIDTA).

Particulars	2020-21	2019-20	2018-19
Profit before taxes	4,356.32	1,843.70	3,211.36
Add: Finance Cost	1,197.80	1,436.48	1,448.63
Add: Depreciation and amortization expenses	736.59	685.30	662.22
Earnings before taxes, interest, depreciation and amortization expenses (EBIDTA)	**6,290.71**	**3,965.48**	**5,322.20**

53 Figures less than ₹ 50000 have been shown at actual, wherever statutorily required to disclosed as the Amounts have been rounded off to the nearest Millions and previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

In terms of our report attached.

For, S S S D & CO

Chartered Accountants

Firm Registration No. 020203C

Gaurav Ashok Baradia

Partner

Membership No. - 164479

Raipur, 12th July, 2021

For and on behalf of the Board

Sandeep Goel

Chief Financial Officer

Suresh Goel, Chairman cum Whole Time Director

DIN : 00115834

Parul Verma

Company Secretary

Narendra Goel, Managing Director

DIN : 00115883

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the year ended March 31, 2021, March 31, 2020, and March 31, 2019 and the reports thereon dated June 15, 2021, June 30, 2020 and May 28, 2019, respectively ("**Audited Financial Statements"**) are available at www.sbpil.co.in.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any BRLMs, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Non-GAAP Measures

Certain non-GAAP measures like EBITDA, EBITDA margin, return on total equity, return on capital employed, net debt-to-equity ratio, net debt-to-EBITDA (**"Non-GAAP Measures"**) presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See "*Risk Factors - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable*." on page 47.

Reconciliation of restated profit for the year to EBITDA and EBITDA margin for the year

The table below reconciles restated profit for the year to EBITDA and EBITDA Margins. EBITDA is calculated as restated profit for the year/ period plus total tax expenses, depreciation and amortization expenses, and finance costs while EBITDA Margin is the percentage of EBITDA divided by total income.

(in ₹ millions)

Particulars	Year ended March 31,		
	2021	**2020**	**2019**
Restated profit for the year (I)	**2,989.33**	**1,410.53**	**2,374.70**
Adjustments:			
Add: Total tax expenses (II)	1,366.99	433.17	836.66
Add: Finance costs (III)	1,197.80	1,436.48	1,448.63
Add: Depreciation and amortisation expense (IV)	736.59	685.30	662.22
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) (V = I + II + III + IV)	**6,290.71**	**3,965.48**	**5,322.20**
Total Income (VI)	**30,643.32**	**26,788.21**	**26,996.19**
EBITDA Margin (VII=V/VI)	**20.53%**	**14.80%**	**19.71%**

Reconciliation of return on total equity

(in ₹ millions)

Particulars	Year ended March 31,		
	2021	**2020**	**2019**
Total Equity (I)	**11,549.21**	**8,425.37**	**6,967.80**
Restated profit for the year (II)	2,989.33	1,410.53	2,374.70
Return on Total Equity (III) = (I / II)	**25.88%**	**16.74%**	**34.08%**

** excludes revaluation reserves*

Reconciliation of return on capital employed

(in ₹ millions)

Particulars	Year ended March 31,		
	2021	**2020**	**2019**
Restated profit for the year/ period (I)	**2,989.33**	**1,410.53**	**2,374.70**
Adjustments:			
Add: Total tax expenses (II)	1,366.99	433.17	836.66
Add: Finance costs (III)	1,197.80	1,436.48	1,448.63
Profit before finance cost and tax expenses (IV) = (I + II + III)	**5,554.12**	**3,280.18**	**4,659.98**
Total Assets (V)	28,391.28	25,013.65	22,759.91
Less: Current Liabilities (VI)	6,216.37	6,717.37	6,497.10
Less: Provision and Deferred Tax (VIII)	947.52	346.22	205.64
Less: Revaluation Reserve (IX)	811.24	813.55	813.18
Add: Current borrowings and current maturities of long-term debt (VII)	3,888.55	3,705.05	3,630.38
Capital Employed (VIII) = (V - VI + VII)	**24,304.70**	**20,841.56**	**18,874.37**
Return on Capital Employed (IX) = (IV / VIII)	**22.85%**	**15.74%**	**24.69%**

** excludes revaluation reserves*

Reconciliation of net debt-to-equity ratio and net debt-to-EBITDA ratio

(in ₹ millions)

Particulars	Year ended March 31,		
	2021	**2020**	**2019**
Non-current borrowings (I)	8,793.72	8,640.98	8,205.22
Current maturity of long-term loans (II)	823.10	439.47	648.47
Current borrowings (III)	3,065.45	3,265.58	2,981.91
Less: Bank, Cash and cash equivalent (IV)	475.20	348.04	194.18
Net Debt (V) = (I + II + III - IV)	**12,207.07**	**11,997.99**	**11,641.42**
Total Equity (VI)	**11,549.21**	**8,425.37**	**6,967.80**
Net Debt-to-equity ratio (VII) = (V / VI)	**1.06**	**1.42**	**1.67**
EBITDA (VIII)	**6,290.71**	**3,965.48**	**5,322.20**
Net Debt-to-EBITDA ratio (IX) = (V / VIII)	**1.94**	**3.03**	**2.19**

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2021, on the basis of our Restated Financial Statements, and as adjusted for the Issue. This table should be read in conjunction with the sections "*Management's Discussion and Analysis of Financial Position and Results of Operations*", "*Financial Information*" and "*Risk Factors*" on pages 278, 230 and 25, respectively.

(in ₹ million, except ratios)

	Pre-Issue as at March 31, 2021	**As adjusted for the proposed Issue***
Total Borrowings		
Current borrowings	3,065.45	[●]
Non - current Borrowings (Including current maturities)	9,616.82	[●]
Total Borrowings (A)	**12,682.27**	[●]
Total Equity		
Equity Share Capital	522.85	[●]
Other Equity**	11,026.36	[●]
Total Equity (B)	**11,549.21**	[●]
Total capital (A+B)	**24,231.48**	[●]
Ratio: Total Borrowings/total equity	1.10	[●]

**The corresponding post Issue capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.*

***Other equity does not include Revaluation Reserve.*

FINANCIAL INDEBTEDNESS

Our Company avails loans and bank facilities in the ordinary course of its business for meeting its working capital and business requirements. For details of the borrowing powers of our Board, see "*Our Management – Borrowing Powers*" on page 197.

Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking the Issue.

The details of our indebtedness (on a consolidated basis) as on March 31, 2021, as certified by S S S D & Co., Statutory Auditors, *vide* certificate dated July 12, 2021, are as follows:

(₹ in million)

Category of borrowing	Sanctioned amount	Outstanding amount
Fund based facilities		
Term loans		
Secured	8,982.90	6,909.69
Unsecured	433.00	391.85
Total (A)	**9,415.90**	**7,301.54**
Working capital facilities		
Secured	3,250.00	3,065.45
Unsecured	-	-
Total (B)	**3,250.00**	**3,065.45**
Vehicle Loan		
Secured	260.68	139.20
Unsecured	-	-
Total (C)	**260.68**	**139.20**
Body Corporate and Others		
Secured		
Unsecured*	-	2,176.08
Total (D)	**-**	**2,176.08**
Total (A+B +C+D)	**12,926.58**	**12,682.27**
Non-fund-based facilities		
Secured	2,300.00	2,144.20
Unsecured		
Total (D)	**2,300.00**	**2,144.20**
Total (A + B + C + D)	**15,226.58**	**14,826.47**

** Loans availed by us from body corporates and others are repayable on demand.*

For further details of our outstanding borrowings as on March 31, 2021, see "*Financial Statements*" on page 230.

Principal terms of the borrowings availed by us

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financing documentation executed by us in relation to our indebtedness.

1. ***Interest:*** In terms of the facilities availed by us, the interest rate is typically the base rate of a specified lender and spread per annum. The spreads are different for different facilities. In terms of the borrowings availed by us, the interest rate is typically dependent on the guidelines of RBI and lenders and ranges from 7.75% per annum to 12.50% per annum, either at floating rate or linked to base rate.

2. ***Validity/Tenor:*** The working capital facilities availed by us are available for a period of 12 months to 24 months, subject to periodic review by the relevant lender. The tenor of the term loans availed by us are typically for a tenor of 12 months to 20 years.

3. ***Security:*** Under our financing arrangements for secured borrowings, we are typically required to create security by way of, among others, hypothecation of the fixed assets and current assets, equitable mortgage on immoveable assets of our Company; hypothecation of plant and machinery, entire stocks of raw-material, finished goods, stocks-in-process, stores and spares, packing materials and other current assets of our Company, outstanding moneys, book-debts, receivables etc against which the relevant loan facility has been

availed, corporate and personal guarantees of some of our Promoters, Directors or certain other persons and pledge of Equity Shares of the Promoters. There may be additional requirements for creation of security under the various borrowing arrangements entered into by us. Further, we have provided a corporate guarantee, in favour of some of our lenders.

4. ***Penal interest***: The terms of certain financing facilities availed by us prescribe penalties for non-compliance of certain obligations by us. These include, inter alia, breach of financial covenants, non-compliance of terms pertaining to security creation, irregularity / overdrawing in the account etc. Further, the default interest payable on the facilities availed by us typically from 2.00 % per annum and above.

5. ***Pre-payment:*** The terms of facilities availed by us typically have prepayment provisions which allow for pre-payment of the outstanding loan amount on giving notice to the concerned lender, subject to such prepayment penalties as laid down in the facility agreements. The prepayment premium for the facilities availed by us, where specified, is typically nil to 2.00% of the sanctioned amount.

6. ***Re-payment:*** The working capital facilities are typically repayable on demand. The term loans are typically repayable in 18 to 240 structured monthly instalments.

7. ***Events of Default:*** Borrowing arrangements entered into by us contain standard events of default, including:

    a. Any security ceasing to be effective subject to a cure period of 90 days;

    b. If there is adverse deviation by more than 20% in any two of the four financial covenants stipulated, for a continuous period of 2 financial years;

    c. Non-adherence of facility repayment schedule and non-payment of interest;

    d. Failure by our Company to pay any amount to the lender on the relevant due date;

    e. Any material changes in the scope of project affecting its viability without the specific approval of lenders;

    f. Any re-presentation or statement provided by our Company in any loan agreements and another connected documents, is found to be incorrect.

    g. Failure by our Company to perform or observe any terms and conditions provisions contained in the agreements or any other connected document.

    h. Winding-up or dissolution of Company, unless voluntary winding up or dissolution approved by lenders;

    i. If insolvency petition has been filed in relation to our Company or our Company commits an act of insolvency or makes an application declaring itself as an insolvent or an order is passed against our Company declaring it as insolvent.

    j. Cessation or threat to cease business;

    k. Sale/transfer of assets which in reasonable opinion of lenders which shall have material adverse effect;

    l. If any compulsory acquisition, nationalisation or expropriation of assets of the company

    m. Any events or circumstance occurs that is likely to prejudicially or adversely affect the capacity of our Company to repay the facility.

8. ***Restrictive Covenants***: Certain borrowing arrangements entered into by us contain restrictive covenants which requires us to take prior written consent of the respective lender before undertaking certain activities, including:

    a. Change or alter in any manner our Company’s capital structure without prior permission of the lender;

b. Invest any funds by way of deposits or loan or in share capital of any other concern (including subsidiaries) so long as any money is due to the lender; our Company will, however, be free to deposit funds by way of security, with third parties, in normal course of business;

c. Undertake any expansion/ modernisation/ diversification programme/ newline of business or manufacture other than incurring routine capital expenditure;

d. Formulate any scheme of amalgamation or reconstruction or acquisition or construction with prior permission of the lender;

e. Effect any transfer of the controlling interest or make any drastic change in the management set-up;

f. Declare dividend if any instalment(s) of principal and/ or interest remains unpaid in respect of the aforesaid loan and/ or in arrear without the prior consent of the lenders;

g. Effect any change in the practice with regard to remuneration of directors, key managerial personnel.

h. Open any account with any other bank;

i. Pledge of Promoter's shares to any bank/NBFC/institution outside the consortium/multiple banking arrangements;

j. Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or arrangement indicated in the otherwise accept deposits apart from the arrangements indicated in the funds flow statements submitted to the bank from time to time and approved by the bank;

k. Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company firm or persons; and

l. Sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the banks.

The details of events of default and restrictive covenants provided above are indicative and there may be additional terms that may amount to an event of default and/ or constitute a restrictive covenant under the various borrowing arrangements entered into by us.

For details, see "*Risk Factors -A failure to comply with financial and other restrictive covenants imposed on us under our financing agreements, could cause us to default on these agreements, which could adversely affect our profitability.*" on page 36.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our Restated Financial Statements for Fiscal 2021, 2020 and 2019, including the related notes, schedules and annexures. Our Restated Financial Statements have been prepared under Indian Accounting Standards ("**Ind AS**"), the Companies Act, the SEBI ICDR Regulations and "Guidance Note on Reports in Company Prospectus (Revised 2019)" issued by the ICAI. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on our Restated Financial Statements for Fiscal 2021, 2020 and 2019 and included in this Draft Red Herring Prospectus. For further information, see "Financial Statements" on page 230. Our financial year ends on March 31, therefore, all references to a particular Fiscal are to the 12-month period ended March 31 of that year.*

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 17 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" and "Factors Affecting our Results of Operations and Financial Conditions" on page 25 and 280, respectively, for a discussion of certain factors that may affect our business, results of operations and financial conditions. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements.

In this section, unless the context otherwise requires, a reference to the "Company" is a reference to Shri Bajrang Power and Ispat Limited on a standalone basis, while any reference to "we", "us" or "our" refers to Shri Bajrang Power and Ispat Limited, its Subsidiaries and Joint Venture, as applicable in the relevant fiscal period, on a consolidated basis.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report "Overview of Steel Sector in India" dated June 24, 2021 prepared and issued by IRR Advisory Services Private Limited. For further information, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation" on page 14.

OVERVIEW

Shri Bajrang Power and Ispat Limited ("**SBPIL**") has emerged as one of the leading integrated steel companies based out of central India and is one of the top 10 players in India in terms of capacity for iron ore pellets, iron ore beneficiation and sponge iron. *(source: IRR Report)* We utilize our captive iron mine with an approval to mine 1.2 MTPA and manganese ore mines to manufacture intermediate and long steel products, such as, TMT Bars, ERW pipes manufactured through tubular section mill ("**ERW Pipes**"), wire rods, HB wires including binding wires, ferro alloys, steel billets, iron pellets and sponge iron. We have a consistent track record of delivering operating profitability, and since Fiscal 2005, we have remained profitable in each of the Fiscal.

We currently operate three manufacturing units ("**Units**") which are strategically located in Raipur, capital of the mineral rich state of Chhattisgarh, which has abundant reserves of iron ore, iron ore fines and coal mines, our primary raw material sources. We believe that the strategic location of our Units lowers our transportation costs and provides significant logistics and operational efficiencies. As of May 31, 2021, the aggregate saleable metal capacity of our Units was 1.76 million metric tonne per annum (**"MTPA"**) (comprising of intermediate and final products). Further, we are in the process of expanding our capacity for sponge iron, steel melting, rolling mill, ferro alloys, captive power and setting up a galvanising plant, which is expected to be completed within Fiscal 2022 ("**Brown Field Expansion**"). Our Company, through its subsidiary SBSCL, intends to set-up a steel unit along with related infrastructure and had already entered into an MoU on December 15, 2020 (**"MoU"**). However, it has made an application dated June 29, 2021 to Government of Chhattisgarh to amend the MoU and the scope of the project will be dependent on government approval for the proposed amendment and our decision to implement the MoU. Further, our Company intends to set up a 50MW solar power plant at Raipur. The proposed expansion and the solar project are hereinafter referred to as "**Green Field Expansion**".

As on May 31, 2021, we also have captive power capacity of 83 MW at our Units including 50 MW from waste heat recovery, which allows us to utilize our waste heat from manufacturing into electricity generation, minimize our carbon footprint while simultaneously reducing our power and fuel costs. In Fiscals 2021, 2020 and 2019, power units produced from our captive power plants accounted for 98.77%, 99.06% and 93.90% respectively, of our total power units consumed. Our Company has received 12th Encon Awards, 2019 and 10th Encon Awards, 2017 (Second Runner Up) in the large-scale category for energy conservation from Confederation of Indian Industry. Further, our subsidiary, IAHEPL has an installed hydro-power capacity of 36 MW at District Chamba, Himachal Pradesh.

In an effort to enhance our backward integration, increase raw material security, and enhance our profitability, we have secured exclusive mining rights, in connection with an iron ore mine located at Uttar Bastar Kanker, Chhattisgarh wherein we are permitted to mine 1.2 MTPA. We also have exclusive mining rights in connection with an open-cast manganese ore mine located at Vizianagaram, Andhra Pradesh wherein we are permitted to mine 13,114 metric tonne per annum (“**TPA**”). For coal, we have secured coal linkages with South Eastern Coalfields Limited, a subsidiary of Coal India Limited, for annual supply of 6.03 MTPA on the basis of multiple fuel supply agreements. Further, as on May 31, 2021, our installed capacity of iron-ore beneficiation and pelletisation units was 2.0 MTPA and 1.4 MTPA, respectively, which helps us use lower grade iron-ore lumps and fines to take advantage of the pricing differential between lower grade and higher-grade iron ore fines. Access to integrated iron ore and manganese ore mines, provides benefits of reducing cost of running the business as well as stability as far as continuous raw material supply is concerned.

Our Units are well connected by national and state highways and railways which enable us to transport the raw materials and products in a cost and time effective manner. We also have captive mechanised railway siding which helps us in optimising our logistics cost and reduces transit time for raw materials and finished products.

Our TMT Bars, ERW Pipes and HB wires, are sold under the brands ‘’, ‘’ and ‘’ respectively and we have incurred advertising and publicity expenses of ₹714.28 million over the last three Fiscals to further establish our brands in their respective categories. Revenues from sale of TMT Bars, ERW Pipes and HB Wires has been the pre-dominant revenue stream for our Company and contributes ₹13,675.98million, ₹11,615.63 million and ₹12,989.18 million for Fiscals 2021, 2020 and 2019, respectively aggregating to 45.12%, 43.61% and 48.37% of our total revenue from operation for the same period.

We cater primarily to the infrastructure and construction industry in India, especially across the central and western regions of India through 11 distributors with a network of 514 dealers. Our customer base during the Fiscal 2021 was spread across 22 states and union territories. During Fiscals 2021, 2020 and 2019 our total revenue from operations from Chhattisgarh, Madhya Pradesh and Maharashtra was ₹22,256.20 million, ₹22,523.74 million and ₹22,892.50 million, respectively and accounted for 73.42%, 84.56% and 85.25% respectively for the same period. Our customer portfolio comprises two major segments which are institutional customers and retail customers. As part of our institutional customer portfolio, we sell our products to institutional customers (“**Institutional Customers**”) that are spread across various segments including roadways, thermal and hydel power, railways, metro rails, military engineering services, airports and real estates. Our key Institutional Customers include Dilip Buildcon Limited, Mehrotra Buildcon Private Limited, Gayatri Projects Limited, Jhajharia Nirman Limited, Modern Road Makers Private Limited and Sadbhav Engineering Limited. We also derive a portion of revenues from exports to various countries and our revenues from exports for Fiscals 2021, 2020 and 2019 was ₹3,272.78 million, ₹1,454.20 million and ₹122.11 million, respectively and accounted for 10.80%, 5.46% and 0.45%, respectively, of our revenue from operations in such periods.

As part of our retail customer portfolio, we typically sell TMT Bars, ERW Pipes and HB wires through our distribution network to individual buyers including individual house builders and contractors (“**Retail Customers**”). We believe that our key differentiators in the retail segment are our established track record of delivering quality products, strong brand identity and a well-established distribution network.

Our Company is led by our Individual Promoters, namely Suresh Goel, Rajendra Goel, Narendra Goel, and Anand Goel each having more than three decades of hands-on experience in steel industry, supported by an experienced and professional management team. Further, certain family members of our Individual Promoters are actively involved in managing the day-to-day affairs of our Company. We believe that the collective experience and capabilities of our Individual Promoters and management team enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. As of May 31, 2021, we had a workforce of 4,134 personnel comprised 3,532 permanent employees and 602 contract employees for our operations.

We have obtained and maintain, a number of quality and environment management system certificates, including ISO 9001:2015 and ISO 14001:2015 for Unit II and ISO: 45001:2018 for Unit I and II. Our Company has received various awards such as ‘Sustainable Energy Development Award in 2016’, ‘Energy Efficiency Award 2016’ and ‘Energy Efficiency Award 2015’. Our Company has also received ‘Gold Certificate - Secondary Steel Sector Award 2016 – 2017’ from Ministry of Steel, Government of India in the composite category of TMT Bars /Wire rods products under DRI-EAF/EIF-RM process route. Our Unit II received recognition from the Ministry of Steel, Government of India, and the United Nations Development Programme Global Environmental Finance Unit, in 2013, for ‘removal of barriers to energy efficiency improvement in steel re-rolling mill sector in India’ and for being a ‘model unit for energy efficiency interventions’.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business, results of operations and financial condition are affected by a number of factors, some of which are beyond our control. This section sets out certain key factors that we believe have affected our business, results of operations and financial condition in the past or which we expect will affect our business, results of operations or financial condition in the future. For a detailed discussion of certain factors that may adversely affect our business, results of operations and financial condition, see “*Risk Factors*” on page 25.

Cost and availability of raw materials.

We are predominantly involved in the business of manufacturing of intermediate and long steel products, such as, TMT Bars, ERW Pipes, wire rods, HB wires including binding wires, ferro alloys, steel billets, iron pellets and sponge iron. The principal raw materials we require for production of steel are iron ore, manganese, coal and dolomite. In Fiscals 2021, 2020 and 2019, the cost of materials consumed (including changes in inventories, stock-in trade and work in progress) were ₹18,682.09 million, ₹18,391.22 million and ₹17,829.87 million, respectively and accounted for 60.97%, 68.65% and 66.05%, of our total income, for the same period.

Our competitiveness, costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials such as iron, manganese, dolomite and coal at competitive prices. Raw materials are subject to price volatility caused by external factors beyond our control, such as climatic and environmental conditions, commodity price fluctuations, market demand, production and transportation cost, change in fuel prices which may significantly affect transportation costs, and changes in government policies including duties and taxes and trade restrictions. In addition, competition in the industry may result in increase in prices of raw materials, which we may not be able to match, thereby affecting our procurement.

We procure part of our requirement of iron ore from our iron ore mine at Kanker district, Chhattisgarh, taken on lease from the Government of Chhattisgarh for a period of thirty years expiring on November 20, 2044. In addition to our iron ore mine, we also source iron ore from other domestic sources including NMDC Limited wherein our Company has entered into agreements with NMDC Limited for sale of iron ore lumps and iron ore fines. We also have exclusive mining rights in connection with an open-cast manganese ore mine located in Vizianagaram, in Andhra Pradesh till September 26, 2050. We procure significant part of our coal requirements from South Eastern Coalfields Limited under multiple fuel supply agreements and the balance through domestic purchases and imports.

While we endeavour to operate our mines at permitted capacities and seek to procure the entire quantity under such fuel supply agreements, our inability to do the same may require us to increase our reliance on purchase of such raw materials from open markets. We may also have to purchase raw materials at a significantly higher prices and less advantageous terms from the market for carrying out our operations. Moreover, any disruption of our suppliers’ operations or breakdown of our relationship with such suppliers, could adversely impact our operations and profitability. Changes in the demand supply scenario of the domestic and global markets for our raw materials, and any operational and/or business disruptions for raw material providers, may also adversely impact our operations and profitability. If, for any reason, we are unable to procure sufficient raw materials of requisite quantity and quality, and at acceptable prices, it could disrupt our production, increase our power costs or reduce our production volumes, which in turn would adversely impact our operations and profitability. There is no assurance that we will be able to compensate for any future increase in raw material costs, by raising our product prices, and our inability in this regard could adversely impact our operations and profitability.

For further details see, “*Risk Factors – Our operations have significant raw material requirements and we may not be able to ensure the availability of raw materials for our operations at competitive prices or in a timely manner.*” on page 26.

Distribution network

Our Company has established strong customer relations during our 15 years of operations. Our Company manages the channel and retail business through distributors who in turn manage a network of dealers present across 5 states in India. As on May 31, 2021, we distribute our products across 22 states and union territories by selling them through our distribution network comprising of 11 distributors managing a network of 514 dealers. For details of the geographies in which our Company sells the products, please see "*Our Business – Sales, Distribution and Marketing*" on page 169. Our Company manages our channel and retail sales through a sales and marketing team of 129 employees as at May 31, 2021, who aid the distribution process and are primarily engaged in distributor/dealer relationship management, appointment of dealers and distributors, procuring orders, product promotions and collections. Our inability to manage our distribution network may have an adverse impact on our customer relations, reputation and results from operations. For further details see, "*Risk Factors – We sell our products through a large network of channel partners, (distributors and dealers). Any deficiency in services, by any of our channel partners, could adversely affect us, our goodwill, operations, and profitability.*" on page 32.

Product Mix

We have emerged as one of the leading integrated steel companies based out of central India. Our Company is also one of the top 10 players in India in terms of capacity for iron ore pellets, iron ore beneficiation and sponge iron *(source: IRR Report)*. We primarily produce intermediate and long steel products across the value chain with a diversified product portfolio focused on the infrastructure and construction industry in India. Our product mix also affects our revenue and profitability. Our intermediate products are either sold independently or used as raw material for manufacture of long steel products. Our final products such as TMT Bars, ERW Pipes, wire rod and other structural products are used in industries such as infrastructure and housing. Our ferro alloys are used as raw materials for the manufacture of stainless steel and other special steels. In general, selling a greater proportion of higher value-added products should increase profitability, however, spreads in steel manufacturing between raw materials, intermediate products and finished products are volatile and our results of operations may be adversely impacted if we are not able to predict and cater to the changing market dynamics.

We believe that our integrated operations have provided us with the flexibility to alter our product mix to cater to the continuously evolving market conditions, helps us to effectively manage price volatility and optimise our operating margins. Our revenues may vary significantly depending on how we manage our sourcing and product mix and such changes may be dependent on factors which are beyond our control.

For further details of our product portfolio, see "*Our Business*" on page 152.

Prices for steel products and market mix

Steel is a global industry and the prices of various steel products including long and flat products vary substantially depending on multiple factors, such as the availability and cost of raw materials, fluctuations in domestic and international demand and supply of steel products, worldwide production and capacity, fluctuation in the volume of steel imports, transportation costs, protective trade measures, various social and political factors, governmental policies and environmental considerations in the geographies in which the steel is produced as well in economies where steel producers sell their products. Our revenues from export for the Fiscal 2021, 2020 and 2019 was ₹3,272.78 million, ₹1,454.20 million and ₹122.11 million and contributed to 10.68%, 5.43% and 0.45% of our revenues from operations. Our ability to take advantage of such pricing trends in line with global prices is subject to risks, uncertainties and external factors beyond our control. For further details see, "*Risk Factors - The demand and pricing in steel industry is volatile and are sensitive to the cyclical nature of the industries it serves. A decrease in steel prices may have a material adverse effect on our business, results of operations, prospects and financial condition.*" on page 25.

Capacity Utilization and Sales volume

We have been working towards optimum capacity utilization and increasing operational efficiencies for the steel business. Our Units are subject to operating risks such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, production outages, natural disasters, industrial accidents and the need to comply with new directives of the relevant government authorities. Further, we continuously strive to attain cost efficiency, enhanced productivity and product excellence through technological innovation and optimum deployment of resources, as well as improved integration and achieving economies of scale through our past capacity expansions. Strengthening internal processes, work flow and optimizing manpower utilization through multi-skills training are the key focus areas for us.

As of May 31, 2021, the aggregate saleable metal capacity of our Units was 1.76 MTPA (comprising of intermediate and final products). While our sponge iron plants have achieved more than 78% of its capacity utilization for the Fiscal 2021, the captive power plants at have also achieved capacity utilization of over 75%for the Fiscals 2021. We have enhanced the installed capacities at our Units in the past and are in the process of expanding our capacities through the Brown Field Expansion. If we are unable to optimally utilize our existing or expanded capacities, our results of operations may be adversely impacted. For further details see, "*Risk Factors – We propose to undertake expansion which will entail significant capital expenditure and will require and expose us to execution risks.*" on page 27.

Seasonality of business

Demand of our products is seasonal as climatic conditions, particularly the monsoon, affect the level of activity in the construction industry. As a result, we usually experience relatively weaker sales volume during the monsoon, and stronger sales in other seasons and we expect our results of operations will continue to be affected by seasonality in the future. Our results of operations for any quarter in a given year may not, therefore, be comparable with other quarter in that year.

Government Policy

India's per capita steel consumption is only one-third of the world average. Increasing population, rapid urbanisation, mobility and infrastructure requirements and government initiatives such as 'Make in India' are expected to boost steel demand growth. In addition, the government's focus on accelerating the rural economy and plans for building smart cities, affordable housing, dedicated freight and high-speed rail corridors, are expected to create significant demand for steel. The National Steel Policy envisages per capita steel consumption to almost double to 160 kg by 2030-31. Our core markets of central and western India are expected to witness significant construction activity driven by various schemes of the Government of India including Pradhan Mantri Awas Yojana - Urban and Gramin, Make In India, Pradhan Mantri Ujjwala Yojana, National Solar Mission, UDAN (airports), irrigation (PMKSY), National Gas Grid, Sagarmala, DFC's, Bharatmala and AMRUT and Clean Ganga Mission. The Government of India has also initiated measures such as "Housing for All" which may lead to an increase in demand for steel products. Our results of operations may be impacted if the demand of steel plummets on account of poor implementation of various policies by the various state and central governments. Further, any adverse regulatory action taken by Government of India or if Government of Chhattisgarh may impact steel sector in general and our Company in particular. For further details with respect to the key regulations and policies applicable to our Company, see "*Key Regulations and Policies*" on page 175.

PRESENTATION OF FINANCIAL INFORMATION

Our restated consolidated balance sheet as at March 31, 2021, March 31, 2020 and March 31, 2019 and the restated consolidated statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, together with the summary of significant accounting policies and explanatory information thereon (collectively, the "**Restated Financial Statements**"), have been derived from our audited consolidated financial statements as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 each prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

(i) These Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting Standards) Rules, 2015.

(ii) The Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments) and
- Defined benefit plans- plan assets

(iii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intragroup transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered.

(iv) The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

(v) Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

(vi) Non-controlling interests in the net assets of consolidated subsidiaries consists of:

a. The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
b. The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

(vii) Investments in associates and joint venture are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in the profit & loss, and the Company's share of other comprehensive income of the investee in the other comprehensive income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Property, Plant and Equipment (PPE)

i. Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

ii. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

iii. Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-progress.

iv. Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except, in respect of Rolls (Rolling Mill Division), where useful life has been taken for one year only as per the technical advice. Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to total cost of the Machine is depreciated separately, if its useful life is different than the life of the Machine.

v. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

vi. Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

vii. Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

viii. The company has adopted a revaluation model for Freehold Land, wherein the assets which have been revalued shall be reviewed on a periodical basis and any accretion or decretion in value arising out of such revaluation shall be credited / debited to the revaluation reserve.

b. Leases

i. Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

ii. Leased assets: Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

iii. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

iv. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

v. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

c. Intangible assets

i. Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount 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 asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

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

iii. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal

iv. proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

d. Capital Work in Progress

i. Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii. Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital Work in Progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

iii. Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital Work in Progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

e. Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

f. Finance Cost

i. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

ii. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

iii. All other borrowing costs are expensed in the period in which they occur.

g. Inventories

i. Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

ii. Cost of raw materials, stores and spares, packing materials, trading and other products are determined at Cost, with moving average price on FIFO basis.

iii. Cost of Finished Goods includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.

h. Impairment of non-financial assets- property, plant and equipment and intangible assets

i. The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

ii. An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

iii. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

i. Provisions, Contingent Liabilities and Contingent Assets and Commitments

i. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a Consolidated asset only when the reimbursement is virtually certain.

ii. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

iii. Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date are adjusted to reflect the current management estimate.

iv. Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

j. Incomes Taxes
The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

i. Current tax

Current assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

k. Foreign Currency Transaction

i. Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

ii. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

iii. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

l. Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

.

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post- employment are charged to the Other Comprehensive Income.

Value of encashable leave are encashed during the year is equivalent to one month salary and charged to Profit & Loss Account.

m. Mining Assets

i. Exploration and Evaluation Assets

Upon obtaining the legal rights to explore a specific area but before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the expenditure incurred on finding specific mineral resources are capitalized as Exploration and Evaluation Assets. These expenditure include expenses on acquisition of rights to explore; topographical, geological, geochemical and geophysical studies; exploratory drilling; trenching; sampling; activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource and such other related expenses. When the technical feasibility and commercial viability of extracting a mineral resource are demonstrated, the Exploration and Evaluation Assets are reclassified as part of the right to mine.

ii. Stripping Activity

During the development phase of the mine (before production begins), stripping costs are capitalised as part of the cost of right to mine.

During the production phase, two benefits accrue from the stripping activity: usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods.

To the extent that the benefit from the stripping activity is realised in the form of inventory produced, the costs of that stripping overburden removal activity is accounted for in accordance with the principles of Ind AS 2, Inventories.

To the extent the benefit is improved access to ore, these costs are recognised as Stripping Activity Asset, if the following criteria are met:-

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow;
- the component of the ore body for which access has been improved can be identified; and
- the costs relating to the stripping activity associated with that component can be measured reliably.

The Stripping Cost capitalized during the development phase or during the production phase is amortised using the units or production method.

In accordance with Ind AS 101 First Time Adoption of Ind AS, the previously recognised asset balance that resulted from stripping activity undertaken during the production phase ('predecessor stripping asset' classified as Iron Ore Mines under Intangible Assets) is reclassified as a part of an existing asset i.e Right to Mine to which the stripping activity relates, to the extent that there remains an identifiable component of the ore body with which the predecessor stripping asset can be associated. Such balances will be amortised over the remaining expected useful life of the Right to Mine.

n) Revenue recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or
managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from operations includes sale of goods, services, service tax, excise duty and adjusted for discounts (net), and gain/ loss on corresponding hedge contracts.

Revenue from Power Supply is accounted for on the basis of billing to consumers and generally all consumers are billed on the basis of recording of consumption of energy by installed meters. Shortfall of Power Unit supplied and Actual Received is recorded
as Power Sale Discount and its charges recorded in Profit and Loss Account.

Sale of Power (Hydro Power Plant)

Revenue from Generation, Transmission and Distribution of power is recognised on an accrual basis and includes unbilled revenues accrued upto the end of the accounting year.

The Group determines surplus/deficit (i.e. excess/shortfall of/in aggregate gain over Return on Equity entitlement) for the year in respect of its regulated operations based on the principles laid down under the relevant Tariff Regulations/Tariff Orders as notified by respective State Regulatory Commissions. In respect of such surplus/deficit, appropriate adjustments as stipulated under the regulations are made during the year.

Further, any adjustments that may arise on annual performance review by respective State Regulatory Commissions under the aforesaid Tariff Regulations/Tariff Orders is made after the completion of such review.

Interest income

Interest income from a financial asset is recognised using effective interest rate (EIR) method.

Dividends

Revenue is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

n. Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted to the extent that there is no uncertainty in receiving the claims.

o. Financial Instruments

i. Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL.

C. Investment in subsidiaries, Associates and Joint Ventures

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost. On the date of transition, the fair value has been considered as deemed cost.
Investment in Equity shares & Mutual Funds etc., are classified at fair value through the profit and loss account.

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

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

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii. Financial Liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options and commodity contracts to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

a. Cash Flow Hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

b. Fair Value Hedge

The Company designates derivative contracts or non-derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

p. Operating Cycle

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

An asset is treated as current when it is:

a) Expected to be realized or intended to be sold or consumed in normal operating cycle;

b) Held primarily for the purpose of trading;

c) Expected to be realized within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current.

A liability is current when:

a) It is expected to be settled in normal operating cycle;

b) It is held primarily for the purpose of trading;

c) It is due to be settled within twelve months after the report period, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The company has identified twelve months as its operating cycle.

q. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity
shares.

r. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

s. Segment Reporting Policies

Identification of segments: The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The Operating segments have been identified on the basis of the nature of products.

Inter segment Transfers: The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs: Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items: The Corporate and Other segment includes general corporate income and expense items which are not allocated to any business segment.

t. Government Grant

Grant from the government are recognized at the fair value where there is a reasonable assurance that the grant will be received and the company will comply with the attached conditions.

u. Dividend Distribution

Dividend distribution to the shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

v. Statement of Cash Flows

a) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the restated consolidated financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Measurement of defined benefit obligations

The measurement of defined benefit and other post-employment benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

CHANGES IN ACCOUNTING POLICIES

Other than as required for the preparation of our Restated Financial Statements, there have been no changes in our accounting policies during Fiscal Years 2021, 2020 and 2019.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Total Revenue

Our total revenue comprises of (i) revenue from operations and (ii) other income.

Revenue from Operations

Our revenue from operations comprises of the following

- Sale of products including TMT Bars, iron pellets, sponge iron, ERW Pipes, wire rods, HB wires, ferro alloys and various by-products;
- Trading of goods which comprises of TMT Bars, iron pellets, sponge iron amongst others; and
- Rendering of services such as sale of electricity.

Other Income

Other income primarily comprises of (i) interest on margin money, (ii) other interest income, (iii) rental income, (iv) income from rake loading, (v) insurance claim received, (vi) dividend, (vii) miscellaneous income, (viii) write off (sundry balances) and (ix) profit/ loss on exchange difference.

Expenses

Our expenses primarily comprises of (i) cost of materials consumed, (ii) purchase of stock in trade, (iii) (increase)/ decrease in stock in trade, (iv) employee benefit expenses, (v) financial cost, (vi) depreciation and (vii) other expenses.

Cost of materials consumed

Cost of materials consumed primarily consists of purchase of raw materials such as iron ore/ iron ore pellets, coal, sponge iron, pig iron, manganese ore, coke and related materials.

Purchase of stock in trade

Purchase of stock in trade represents the purchases of goods which contribute towards revenues from trading of goods.

(Increase)/ Decrease in stock in trade

(Increase)/ Decrease in stock in trade represents the net increase or decrease in stock of finished goods and stock of traded goods at the beginning of the year and end of the year.

Employee benefit expense

Employee benefit expenses comprises of (i) salaries, wages and other benefits, (ii) contribution to provident and other funds and (iii) staff and workers welfare expenses.

Finance costs

Finance cost consists of expenses such as (i) interest on term loan, (ii) interest on cash credit (iii) interest on others, (iv) other borrowing costs as reduced for (v) amount included in capital work-in-progress (capitalized).

Depreciation and amortization expense

Our depreciation and amortization expense relate to (i) depreciation of property, plant and equipment, (ii) depreciation of investment property, and (c) amortisation of intangible assets (rights to mines).

Other Expenses

Our other expenses primarily comprises (i) manufacturing expenses such as power and fuel, manufacturing wages, consumption of stores and spares, repair and maintenance, insurance charges, water cess expenses and royalty and other manufacturing expenses; (ii) administration expenses such as payment to auditors, internal auditor remuneration, director's remuneration, director's sitting fees, bank charges, expenses towards, corporate social responsibility, hiring charges, insurance expenses, subscription to association and membership fees, loss on sale of fixed assets loss on exchange differences, legal & professional charges, office and general expenses, rent, rates and taxes, printing and stationary expenses, allowance for credit loss, registration and renewal fees, environmental expenses, repair and maintenance (others), director's traveling expenses, traveling expenses (other), testing and inspection charges, communication expenses, canteen expenses, conveyance expenses and penalty and fine; (iii) selling and distribution expenses such as advertisements and publicity, carriage outward, sales commission, sales promotion and planning, finished goods handling charges, rebate and discount, sales, tax, services tax and custom duty and power distribution charges and discount.

SUMMARY OF RESULT OF OPERATIONS

The following table sets forth certain information with respect to our consolidated results of operations for the periods indicated:

(₹ in million)

Sr. No.	Particulars	Fiscal 2021		Fiscal 2020		Fiscal 2019	
		Amount	**% of Total Revenue**	**Amount**	**% of Total Revenue**	**Amount**	**% of Total Revenue**
I	Revenue from Operations	30,312.11	98.92	26,637.12	99.44	26,852.32	99.47
II	Other Income	331.21	1.08	151.09	0.56	143.88	0.53
III	**Total Revenue (I+II)**	**30,643.32**	**100.00**	**26,788.21**	**100.00**	**26,996.20**	**100.00**
IV	**Expenses**						
	Cost of materials consumed	16,737.94	54.62	15,279.41	57.04	14,999.37	55.56
	Purchase of stock in trade	2,312.46	7.55	3,486.60	13.02	2,771.84	10.27
	(Increase)/ Decrease in stock in trade	(368.31)	(1.20)	(374.79)	(1.40)	58.65	0.22
	Employee benefit expenses	895.21	2.92	802.50	3.00	666.52	2.47
	Financial costs	1,197.80	3.91	1,436.48	5.36	1,448.63	5.37
	Depreciation	736.59	2.40	685.30	2.56	662.22	2.45
	Other expenses	4,775.31	15.58	3,629.01	13.55	3,177.60	11.77
	Total Expenses	**26,287.00**	**85.78**	**24,944.52**	**93.12**	**23,784.84**	**88.10**
V	**Profit before exceptional and extraordinary items and tax**	**4,356.32**	**14.22**	**1,843.70**	**6.88**	**3,211.36**	**11.90**
VI	Exceptional items	-	-	-	-	-	-
VII	**Profit Before Tax (V-VI)**	**4,356.32**	**14.22**	**1,843.70**	**6.88**	**3,211.36**	**11.90**
VIII	**Tax expenses**						
	Net current tax	778.28	2.54	317.62	1.19	711.97	2.64
	Deferred tax	588.71	1.92	115.55	0.43	124.69	0.46
IX	**Profit / (Loss) for the period (VII-VIII)**	**2,989.33**	**9.76**	**1,410.53**	**5.27**	**2,374.70**	**8.80**
	Add: Share in profit of Joint Venture	0.09	0.00	(0.08)	(0.00)	(0.10)	(0.00)
	Less: Minority Share in profit	3.10	0.01	(0.81)	(0.00)	(0.09)	(0.00)
X	**Other Comprehensive Income:**						
	Re-measurement of the defined benefit plans	6.59	0.02	(6.28)	(0.02)	(1.50)	(0.01)
	Revaluation of Financial Assets through Other comprehensive income	3.26	0.01	(0.25)	0.00	0.11	0.00
	Income tax relating to items that will not be reclassified to profit or loss	(0.22)	0.00	0.08	0.00	(0.03)	0.00
	Less: Minority Share in Other Comprehensive Income	0.03	0.00	0.01	0.00	(0.00)	0.00

Sr. No.	Particulars	Fiscal 2021		Fiscal 2020		Fiscal 2019	
		Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue
XI	**Total Comprehensive Income for the year (IX+X)**	**2,995.98**	**9.78**	**1,404.81**	**5.24**	**2,373.26**	**8.79**

Fiscal 2021 compared to Fiscal 2020

Revenue

Our restated total income for Fiscal 2021 was ₹ 30,643.32 million as compared to ₹ 26,788.21 million for Fiscal 2020, representing an increase of 14.39%. Our restated total income comprises of sale of manufacturing product, trading goods, power sale, duty drawback, freight on outward supply.

Revenue from operations

Our revenue from operations for the Fiscal 2021 was ₹ 30,312.11 million as compared to ₹ 26,637.12 million for the Fiscal 2020, representing an increase of 13.80%. This was primarily due to increase in sale of finished goods from ₹ 22,141.10 million during Fiscal 2020 to ₹ 25,712.59 million during the Fiscal 2021 and due to marginal increase in sale of traded goods from ₹ 3,789.15 million during Fiscal 2020 to ₹ 3,882.04 million during the Fiscal 2021. The increase in sale of finished goods and trading goods were mainly due to increase in prices of our products. Our revenue from sale of electricity for the Fiscal 2021 was ₹ 567.63 million as compared to ₹ 692.15 million for the Fiscal 2019, representing a decrease of 17.99% due to increase in consumption of the electricity in our manufacturing process. Our other operating revenue increased significantly from ₹ 14.71 million during Fiscal 2020 to ₹ 149.85 million during the Fiscal 2021 which was primarily on account of carriage outward on outward supply and duty drawback on exports.

Other Income

Other income for the Fiscal 2021 was ₹ 331.21 million as compared to ₹ 151.09 million for Fiscal 2020, representing an increase of 119.21%. The increase in other income was primarily due to increase in other interest income by 67.42% from ₹ 88.58 million in Fiscal 2020 to ₹ 148.31 million in Fiscal 2021 due to advances to body corporates, interest on bill discounting and letter of credit , 216.91% increase in miscellaneous income from ₹ 32.57 million in Fiscal 2020 to ₹ 103.22 million in Fiscal 2021 due to consultancy income and commission income, 18.45% increase in interest on margin money from ₹ 13.80 million in Fiscal 2020 to ₹ 16.35 million in Fiscal 2021 which were supplemented by increase in income from rake loading, dividends, write off (sundry balances) and profit/loss on exchange difference. Such increase in other income was partially offset by decrease in rental income and insurance claim received.

Expenses

The total expenses incurred by our Company in the Fiscal 2021 was ₹ 26,287.00 million as compared to ₹ 24,944.52 million for the Fiscal 2020, representing an increase of 5.38%. Our total expenditure comprises of cost of material consumed, purchase of stock in trade, (Increase)/ decrease in stock in trade, employee benefit expenses, finance cost, depreciation and amortisation expense and other expenses.

Cost of material consumed

Cost of materials consumed by our Company was ₹ 16,737.94 million for Fiscal 2021 as compared to ₹ 15,279.41 million for Fiscal 2020, representing an increase of 9.55%. The increase in cost of material consumed was primarily due to increase in prices of raw materials we purchase from external agencies.

Purchase of stock-in-trade

Purchase of stock in trade for the Fiscal 2021 was ₹ 2,312.46 million as compared to ₹ 3,486.60 for the Fiscal 2020, representing a decrease of 33.68%. The decrease was primarily due to captive consumption of trading goods.

(Increase)/ decrease in stock in trade

Increase/ decrease in stock in trade for the Fiscal 2021 was ₹ (368.31) million as compared to ₹ (374.09) million for the Fiscal 2020, primarily due to change in movement of finished goods and stock in trade.

Employee benefit expenses

Our employee benefit expenses for the Fiscal 2021 was ₹ 895.21 million as compared to ₹ 802.50 million during the Fiscal 2020, representing an increase of 11.55%. These was primarily due to increase in salary and wages of the employees.

Financial costs

Our finance cost for the Fiscal 2021 was ₹ 1,197.80 million as compared to ₹ 1,436.48 million during the Fiscal 2020, representing a decrease of 16.62%. The decrease was due to reduction in the interest expenses on term loan and cash credit facilities.

Depreciation

Our depreciation expense for the Fiscal 2021 was ₹ 736.59 million as compared to ₹ 685.30 million during the Fiscal 2020, representing an increase of 7.48%. This increase was primarily due to increase in depreciation of property, plant and equipment, and increase in amortization of investment property and account of increase in property, plant and equipment, as well as increase in investment property.

Other expenses

Other expenses for the Fiscal 2021 was ₹ 4,775.31 million as compared to ₹ 3,629.01 million for the Fiscal 2020, representing an increase of 31.59%. The increase was majorly due to increase of manufacturing wages, consumption of stores and spares, repair and maintenance of plant and machinery, royalty and other manufacturing expenses, corporate social responsibility, legal and professional charges, repair and maintenance, advertisement and publicity, carriage outward, sale promotion and planning, finished goods handling charges and rebate and discount.

Profit before Tax

For the reasons discussed above our restated consolidated profit/(loss) before tax for the Fiscal 2021 was ₹ 4,356.32 million as compared to ₹ 1,843.70 million for the Fiscal 2020, representing an increase of 136.28%.

Tax expense

Total tax expense for the Fiscal 2021 was ₹ 1,366.99 million as compared to ₹ 433.17 million for the Fiscal 2020. The increase in tax expense is due to increase in net current tax and deferred tax.

Profit / (loss) for the period

As a result of the above, our restated consolidated profit/ (loss) for the Fiscal 2021 was ₹ 2,989.33 million as compared to ₹ 1,410.53 million for the Fiscal 2020.

Fiscal 2020 compared to Fiscal 2019

Revenue

Our restated total income for Fiscal 2020 was ₹ 26,788.21 million as compared to ₹ 26,996.19 for Fiscal 2019, representing a marginal decrease of 0.77%. Our restated total income comprises of sale of manufacturing product, trading goods, power sale, and freight on outward supply.

Revenue from operations

Our revenue from operations for the Fiscal 2020 was ₹ 26,637.12 million as compared to ₹26,852.32 million for the Fiscal 2020, representing a marginal decrease of 0.80%. This was primarily due to decrease in sale of finished goods from ₹ 23,778.00 million during the Fiscal 2019 to ₹ 22,141.10 million during Fiscal 2020 and partially set off by increase in sale of traded goods from ₹ 2,517.24 million during Fiscal 2019 to ₹ 3,789.15 million during the Fiscal 2020. The decrease in sale of finished goods was mainly due to decrease in prices of products like TMT Bars, HB Wire, wire rods sponge iron and ferro alloys which negated the higher volumes sold by us across these products. However, the increase in sale of trading goods were primarily due to higher volumes of TMT Bars, Coal and iron ore pellets which were partially offset by lower volumes in sponge iron. Our revenue from sale of electricity for the Fiscal 2020 was ₹ 692.15 million as compared to ₹ 525.31 million for the Fiscal 2019, representing an increase of 31.76% due to sale of surplus electricity to grid. Our other operating revenue decreased from ₹ 31.77 million during Fiscal 2019 to ₹ 14.71 million during Fiscal 2020, which was primarily on account of decrease in carriage outward on outward supply.

Other Income

Other income for the Fiscal 2020 was ₹ 151.09 million as compared to ₹ 143.88 million for Fiscal 2019, representing an increase of 5.01%. The increase in other income was primarily due to increase in interest on margin money by 11.47% from ₹ 12.38 million in Fiscal 2019 to ₹ 13.80 million in Fiscal 2020, due to opening of fixed deposit receipt for opening of letter of credit and bank guarantee, 39.48% increase in miscellaneous income from ₹ 23.35 million in Fiscal 2019 to ₹ 32.57 million in Fiscal 2020 due to coal handling charges and 107.73% increase in profit/ loss on exchange difference from ₹ 4.62 million in Fiscal 2019 to ₹ 9.60 million in Fiscal 2020. Such increase in other income was partially offset by decrease in other interest income and write offs (sundry balances).

Expenses

Our total expenses in the Fiscal 2020 was ₹ 24,944.52 million as compared to ₹ 23,784.84 million for the Fiscal 2019, representing an increase of 4.88%. Our total expenditure comprises of cost of material consumed, purchase of stock in trade, (Increase)/ decrease in stock in trade, employee benefit expenses, finance cost, depreciation and amortisation expense and other expenses.

Cost of material consumed

Cost of materials consumed by our Company was ₹ 15,279.41 million for Fiscal 2020 as compared to ₹ 14,999.37 million for the Fiscal 2019, representing an increase of 1.87%. The increase in cost of material consumed was primarily due to increase in prices of raw materials, we purchase from external agencies.

Purchase of stock-in-trade

Purchase of stock in trade for the Fiscal 2020 was ₹ 3,486.60 for the Fiscal 2020 as compared to ₹ 2,771.84 million for the Fiscal 2019, representing an increase of 25.79%. The increase was due to purchase of trading goods.

(Increase)/ decrease in stock in trade

(Increase)/ decrease in stock in trade for the Fiscal 2020 was ₹ (374.09) million as compared to ₹ 58.65 for the Fiscal 2019, primarily due to change in movement of finished goods and stock in trade.

Employee benefit expenses

Our employee benefit expenses for the Fiscal 2020 was ₹ 802.50 million as compared to ₹666.52 million during the Fiscal 2019, representing an increase of 20.40%. These was primarily due to increase in salary and wages of the employees.

Financial costs

Our finance cost for the Fiscal 2020 was ₹ 1,436.48 million compared to ₹ 1,448.63 million during the Fiscal 2021, representing a marginal decrease of 0.84%. The decrease was due to reduction in the interest expenses on cash credit facilities.

Depreciation

Our depreciation expense for the Fiscal 2020 was ₹ 685.30 million as compared to ₹ 662.22 million during the Fiscal 2019, representing an increase of 3.49%. This increase was primarily due to increase in depreciation of property, plant and equipment, and increase in amortization of investment property.

Other expenses

Other expenses for the Fiscal 2020 were ₹ 3,629.01 million as compared to ₹ 3,177.60 million for the Fiscal 2019, representing an increase of 14.21%. The increase was majorly due to increase in power and fuel, royalty and other manufacturing expenses, director's remuneration, bank charges, corporate social responsibility, hiring charges, insurance expenses, loss on exchange difference, repair and maintenance, director's travelling expenses, travelling expenses, carriage outward, finished goods handling charges and rebate and discount.

Profit before Tax

For the reasons discussed above our restated consolidated profit/(loss) before tax for the Fiscal 2020 was ₹ 1,843.70 million as compared to ₹ 3,211.36 million for the Fiscal 2019, representing a decrease of 42.59%.

Tax expense

Total tax expense for the Fiscal 2020 was ₹ 433.17 million as compared to ₹ 836.66 million for the Fiscal 2019. The decrease in tax expense is due to decrease in net current tax and deferred tax caused by lower restated profit before tax.

Profit / (loss) for the period

As a result of the foregoing, our restated consolidated profit/ (loss) for Fiscal 2020 was ₹1,410.53 million as compared to ₹ 2,374.70 million for the Fiscal 2019.

LIQUIDITY AND CAPITAL RESOURCES

Overview

We finance our operations and capital requirements primarily through cash flows from operations and borrowings under credit facilities from certain banks. We expect that these sources will continue to be our principal sources of cash in the medium term.

Cash Flows

Cash and bank balances primarily consist of balances in current accounts with banks, fixed deposits with banks and cash on hand.

The following table sets forth a summary of our statement of cash flows for the periods indicated:

(₹ in million)

Particulars	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019
Net cash from operating activities	2,499.85	2,622.31	2,216.24
Net cash used in investing activities	(1,123.51)	(1,900.84)	(940.32)
Net cash used in financing activities	(1,245.20)	(717.06)	(1,274.28)
Net increase / (decrease) in cash and cash equivalent	131.15	4.41	1.64

Operating Activities

Fiscal 2021

While our restated consolidated profit before tax for Fiscal 2021 was ₹ 4,356.32million, net cash flow from operating activities was ₹ 2,499.85 million and the operating cash flows before working capital changes was ₹ 6,261.37 million. The change in working capital was primarily due to increase in inventories by ₹ 1,327.38 million, increase in sundry debtors by ₹ 1,114.50 million, increase in other current assets by ₹ 259.45 million, decrease in current liabilities and provision by ₹ 300.87 million and increase in non-current provisions by ₹ 18.95 million.

Fiscal 2020

Our restated consolidated profit before tax for Fiscal 2020 was ₹ 1,843.70 million. Net cash flow from operating activities was ₹ 2,622.31 million and the operating cash flows before working capital changes was ₹ 3,919.54 million. The change in working capital was primarily due to increase in inventories by ₹ 987.17 million, decrease in sundry debtors by ₹ 280.62 million, increase in other current assets by ₹ 228.50 million, decrease in current liabilities and provision by ₹ 63.39 million and increase in non-current provisions by ₹ 18.83 million.

Fiscal 2019

Our restated consolidated profit before tax for Fiscal 2019 was ₹ 3,211.36 million. Net cash flow from operating activities was ₹ 2,216.24 million and the operating cash flows before working capital changes was ₹ 5,135.33 million. The change in working capital was primarily due to increase in inventories by ₹ 1,254.35 million, increase in sundry debtors by ₹ 225.47 million, increase in other current assets by ₹ 955.57 million, increase in current liabilities and provision by ₹ 216.32 million and increase in non-current provisions by ₹ 11.95 million.

Investing Activities

Fiscal 2021

Net cash used in investing activities was ₹ 1,123.51 million primarily on account of addition to PPE (including goodwill) of ₹ 1,429.06 million which was partially offset by interest receipts of ₹ 164.65 million, decrease in long-term loans and advances by ₹ 119.08 million and sale of fixed assets for ₹ 16.89 million.

Fiscal 2020

Net cash used in investing activities was ₹ 1,900.84 million primarily on account of addition to PPE (including goodwill) of ₹ 1,248.09 million, increase in long-term loans and advances by ₹ 664.87 million, increase in bank balance other than cash and cash equivalent of ₹ 149.46 million which was partially offset by interest receipts of ₹ 102.38 million and sale of fixed assets for ₹ 59.61 million.

Fiscal 2019

Net cash used in investing activities was ₹ 940.32 million primarily on account of addition to PPE (including goodwill) of ₹ 1,137.76 million and increase in bank balance other than cash and cash equivalent of ₹ 28.56 million which was partially offset by decrease in long-term loans and advances of ₹ 80.82 million, sale of fixed assets of ₹ 38.71 million and interest receipts of ₹ 106.36 million.

Financing Activities

Fiscal 2021

Net cash used in financing activities amounted to ₹ 1,245.20 million. This primarily comprised of decrease in short term borrowings by ₹ 200.13 million and financial cost of ₹ 1,197.80 million which was partially offset by increase in long-term borrowings by ₹ 152.74 million.

Fiscal 2020

Net cash used in financing activities amounted to ₹ 717.06 million. This primarily consisted financial cost of ₹ 1,436.48 million which was partially offset by increase in long-term borrowings by ₹ 435.76 million and increase in short term borrowings by ₹ 283.66 million.

Fiscal 2019

Net cash used in financing activities amounted to ₹ 1,274.28 million. This primarily consisted financial cost of ₹ 1,448.63 million and decrease in other long term liabilities by ₹ 60.80 million, which was partially offset by increase in long-term borrowings by ₹ 140.59 million and increase in short term borrowings by ₹ 94.56 million.

FINANCIAL INDEBTEDNESS

As of March 31, 2021, we had outstanding indebtedness of ₹ 12,682.27 million. Our debt to equity ratio was 1.12 as of March 31, 2021. The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2021:

Particulars	**Amount (₹ million)**
Short Term Borrowings	3,065.45
Long Term Borrowings	8,793.72
Current Maturities of Long Term Debt	823.10
Total	**12,682.27**

For further details, see “*Financial Indebtedness*” on page 275.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Contractual Obligations

Our Company has certain operating lease arrangements for storage of goods and other commercial purposes with tenure ranging from 11 months to three years. Terms of some of these lease arrangements include escalation clause for rent and deposit/refund of security deposit. Expenditure incurred on account of rent has been recognized in the statement of profit and loss amounting to ₹ 12.87 million, ₹ 14.28 million and ₹ 31.20 million for the Fiscal Years 2021, 2020 and 2019, respectively.

Our Company also has certain finance lease arrangements for land taken on lease from government authorities for setting up of factory premises / office thereon with tenure of 99 years. Terms of some of these lease arrangements include escalation clause for rent. The net carrying amount of the leasehold land is ₹ 111.36 million, ₹ 114.12 million and ₹ 116.88 million for the Fiscal Years 2021, 2020 and 2019, respectively. For further details in relation to finance lease liabilities, see “*Financial Information*” on page 230.

CAPITAL EXPENDITURE

Our capital expenditures are primarily related to our capacity expansions at our manufacturing units. The following table below sets forth certain information relating details of our gross capital expenditures for the periods stated:

(₹ in millions)

Particulars	**Fiscal Year 2021**	**Fiscal Year 2020**	**Fiscal Year 2019**
Purchase of property, plant and equipment	1,429.06	1,248.09	1,137.76

The following table sets forth our fixed assets for the periods indicated:

(₹ in millions)

Particulars	**Fiscal Year 2021**	**Fiscal Year 2020**	**Fiscal Year 2019**
Property, plant and equipment	15,203.50	14,880.69	14,134.37
Capital work-in-progress	1,387.94	1,081.28	1,316.49
Investment Property	215.60	166.90	171.20
Intangible Assets	126.60	131.91	137.21

For further information, see “*Restated Financial Statements*” on page 245.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The following table sets forth certain information relating to our contingent liabilities and capital commitments as of March 31, 2021:

Particulars	**Amount as of March 31, 2021 (₹ in million)**
Claims against the group / disputed tax liabilities not acknowledged as debt	1,447.61
Bank guarantees outstanding	384.49
Discounted letter of credit and guarantee	216.93
Jointly and severely corporate guarantee to the bank on behalf of Subsidiary Company	2,250.00
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,251.68
Total	**5,550.71**

For further information on our contingent liabilities, see “*Restated Financial Statements –Note 36*” on page 263.

Our contingent liabilities may become actual liabilities. In the event that any of our contingent liabilities become non-contingent, our business, financial condition and results of operations may be adversely affected.

Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current Fiscal year or in the future.

OFF-BALANCE SHEET ARRANGEMENTS

Except as disclosed in our Restated Financial Statements or otherwise in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. For further details relating to our related party transactions, see "*Note to Restated Financial Statements – Financial Statements*" on page 263.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

MARKET RISKS

We are exposed to price risk, interest rate risk, credit risk, liquidity risk and foreign currency exchange risk and commodity price risk among others. Our risk management approach seeks to minimize the potential material adverse effects from these exposures. Accordingly, we have established a framework and process to monitor the exposures to implement appropriate measures in a timely and effective manner. We do not have a fixed hedging policy.

Interest Rate Risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the company. The Company is exposed to long term and short-term borrowings, Commercial Paper Program. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

Credit Risk

Our Company is exposed to credit risk as a result of the risk of counterparties non-performance or default on their obligations. Our Company's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. Our Company monitors and limits its exposure to credit risk on a continuous basis. Our Company's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this our Company periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

Trade receivables

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

Loans and Advances

Financial assets in the form of loans and advances are written off when there is no reasonable expectations of recovery. Where recoveries are made, these are recognised as income in the statement of profit and loss. Our Company measures the expected credit loss of dues based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and passed trends. Based on historical data, loss on collection of dues is not material hence no additional provisions considered.

Bank, Cash and cash equivalents

Bank, Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

Liquidity risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

Foreign Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods in the respective currencies.

Price risk

The entity is exposed to equity price risk, which raised out from FVTOCI quoted and unquoted equity shares. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

OTHER QUALITATIVE FACTORS

Unusual or Infrequent Events or Transactions

To our knowledge there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

Significant Dependence on a single or few suppliers or customers

Other than as described in this Draft Red Herring Prospectus particularly in "*Risk Factors –A majority of our sales are generated from a limited number of distributors operating in the central and western regions of India. Any adverse developments in these regions could have an adverse impact on our business and financial conditions*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Distribution network*" on pages 31 and 280, respectively, there is no dependence on a single or few customers or suppliers.

Known Trends or Uncertainties

Our business has been impacted and we expect will continue to be impacted by the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations–Factors Affecting Our Results of Operations*" and the uncertainties described in "*Risk Factors*" beginning on pages 278 and 25, respectively. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors that we expect to have a material adverse impact on our revenues or income from operations.

Significant Economic Changes that Materially Affected or are likely to Affect Income from Operations

Other than as described in this section and the sections of this Draft Red Herring Prospectus titled "*Risk Factors*" and "*Industry Overview*" on pages 25 and 106, respectively, there have been no significant economic changes that materially affected or are likely to affect our Company's income from operations.

Future relationship between Cost and Revenue

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages on page 25, 152 and 278, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition

New Products or Business Segments

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

Material Increases in Net Income and Sales

Material increases in our Company's net income and sales are primarily due to the reasons described in the section entitled "*Management discussion and analysis of financial condition and results of operations - Results of Operations*" above on page 280.

Status of any publicly announced new products or business segment, if applicable

Except as disclosed in "*Our Business*" on page 152, we have not announced and do not expect to announce any new products or business segments in the near future.

Competitive Conditions

We operate in a competitive environment. See "*Our Business - Competition*", "*Industry Overview*" and "*Risk Factors - We sell our products in highly competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.*" on pages 173, 106 and 37, respectively, for further details on competitive conditions that we face in our business.

Seasonality of Business

Demand for our products is seasonal as climatic conditions, particularly the monsoon, affect the level of activity in the construction industry. For further information, see *"-Factors Affecting our Results of Operations – Seasonality of business*" on page 280.

SUMMARY OF RESERVATION, QUALIFICATIONS, ADVERSE REMARKS AND EMPHASIS OF MATTERS BY AUDITORS

Our Statutory Auditors has not provided or highlighted any reservations/ qualifications/ adverse remarks/ emphasis of matters in their audit reports on the audited consolidated financial statements for the last three Fiscal Years preceding the date of this Draft Red Herring Prospectus.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2021

Other than as disclosed in this Draft Red Herring Prospectus, including under "*Our Business*", "*Risk Factors*" and in this section, to our knowledge no circumstances have arisen since the date of the last financial information disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings involving our Company, Subsidiaries, Joint Venture, Directors, or Promoters; (ii) actions by any statutory or regulatory authorities involving our Company, Subsidiaries, Joint Venture, Directors, or Promoters; or (iii) claim involving our Company, Subsidiaries, Joint Venture, Directors or Promoters for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved), (iv) proceeding involving our Company, Subsidiaries, Joint Venture, Group Companies, Directors or Promoters (other than proceedings covered under (i) to (iii) above) which has been determined to be "material" pursuant to the materiality policy approved by our Board in its meeting held on June 15, 2021 ("**Materiality Policy**") (as disclosed herein below).*

In terms of the Materiality Policy, other than outstanding criminal proceedings, actions taken by any statutory or regulatory authority and claims for any direct or indirect tax liabilities mentioned in point (i) to (iii) above, all other pending litigation:

A. involving our Company and Subsidiaries:

*i. where the aggregate monetary claim made by or against our Company, our Subsidiaries and Joint Venture, in any such pending litigation proceeding is in excess of (i) one percent of the consolidated profit after tax of our Company; or (ii) one percent of our consolidated total income of our Company, whichever is lower, in the most recently completed Fiscal as per the Restated Financial Information. The consolidated profit after tax of our Company for Fiscal 2021 as per the Restated Financial Information was ₹ 2,986.33 million while the consolidated total income of our Company for Fiscal 2021 was ₹ 30,643.32 million. Accordingly, we have disclosed all such outstanding litigation proceedings where the aggregate monetary claim made by or against our Company and our Subsidiaries, in any such pending litigation proceeding is in excess of ₹ 29.86 million ("**Materiality Threshold**") (being one per cent of the consolidated profit after tax of our Company for Fiscal 2021 as per the Restated Financial Information);*

ii. where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (i) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (i) above; and

iii. where the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (i) above, but the outcome of which could, nonetheless may have a material adverse effect on the position, business, operations, prospects or reputation of our Company have been considered "material";

B. involving our Directors and our Promoters (individually or in aggregate), the outcome of which would materially and adversely affect the business, operations, prospects, financial position or reputation of our Company, irrespective of the amount involved, has been considered as material.

Further, except as disclosed in this section, there are no (i) disciplinary action taken against any of our Promoter by SEBI or the Stock Exchange in the five Fiscals preceding the date of this Draft Red Herring Prospectus; and (ii) litigation involving our Group Companies which may have a material impact on our Company.

*Further, in accordance with the Materiality Policy, a creditor of our Company, shall be considered to be material creditor (except banks and financial institutions from whom the Company has availed financing facilities) for the purpose of disclosure in the offer documents, if amounts due to such creditor exceeds five per cent. of the total consolidated trade payables of our Company as per the most recently completed Fiscal as per the Restated Financial Information. Accordingly, we have disclosed consolidated information of outstanding dues owed to any creditors of our Company, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 77.06 million (being approximately five per cent. of total consolidated trade payables of our Company as at March 31, 2021 as per the Restated Financial Information) ("**Material Dues**"). Further, in accordance with the Materiality Policy for the disclosure of the outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**") will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

Unless stated to the contrary, the information provided in this section is as of the date of this Draft Red Herring Prospectus. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.

I. Litigation involving our Company

A. Outstanding criminal proceedings involving our Company

Criminal proceedings initiated against our Company

A legal proceeding has been initiated by the Inspector of Factories, against our Company and an officer of the Company, before the Judicial Magistrate, First Class, Tilda, in connection with claims associated with an industrial accident. No monetary claim is involved. The matter is pending hearing and final disposal.

Criminal proceedings initiated by our Company

1. Criminal proceedings bearing no. Cr. M. P. No. 916 of 2017 have been initiated by our Company and Suresh Goel, against the Chhattisgarh Environment Conservation Board, and others, before the High Court of Chhattisgarh at Bilaspur, in connection with, inter-alia, the quashing and setting aside of an impugned order dated April 29, 2017, as passed by the Court of Additional Session Judge, (Special Judge of Special Court for trial of CBI Cases, Raipur, in Criminal Revision No. 272 of 2016), in connection with allegations of non-compliance with Sections 37 and 40 of the Air (Prevention and Control of Pollution) Act, 1981. No amounts have been quantified in these proceedings. The matter is pending hearing and final disposal.

2. 2 criminal complaints under Section 138 of the Negotiable Instruments Act, 1881, have been initiated by our Company against various parties for cheques that bounced on the presentation and the aggregate amount involved in these matters is ₹ 16.8 million. The matters are pending at different stages of adjudication before various courts.

B. Tax involving our Company

Except as mentioned below, there are no outstanding tax proceedings involving our Company, as on the date of this Draft Red Herring Prospectus:

Particulars	No. of cases	Amount involved (₹ in millions)
Direct Tax	9	531.83
Indirect Tax	9	125.97
Total	**18**	**657.80**

C. Other outstanding litigation involving our Company

Civil litigations initiated against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Company.

Civil litigations initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated by our Company.

D. Pending action by statutory or regulatory authorities involving our Company

1. A Special Leave Petition bearing no. Civil Appeal 5172 of 2007 has been filed before the Supreme Court of India, against our Company, by the Department of Energy (Chief Electrical Inspector), Government of Chhattisgarh. These proceedings are in connection with the judgement and order dated December 15, 2006, as passed by the High Court of Chhattisgarh at Bilaspur, in connection with the imposition of an energy development cess at the rate of 10 paise per unit, on the supply of electricity being levied by the Chhattisgarh State Government, which was struck down by the said order as being discriminatory, as captive power

producers were being charged the cess while other independent power producers were not required to pay the same. The matter is pending hearing and final disposal.

2. A writ petition bearing no. W.P. (C) No. 2061/2016 have been initiated by our Company against the Central Electricity Regulatory Commission and Others, before the High Court of Chhattisgarh, in connection with, inter-alia, quashing two notices as well as a declaration for nullifying the effect of certain regulations pertaining to electricity generation. No monetary claims are involved in these proceedings. The case is transferred from High Court of Chhattisgarh to High Court of Delhi. The matter is pending final hearing and disposal.

3. An appeal bearing no. C.A. No. 002578 - 002579 / 2008 have been initiated by the Chhattisgarh State Electricity Board at Raipur, against the Chhattisgarh State Electricity Regulatory Commission, at Raipur, and our Company and Rajendra Goel, before the Supreme Court, in connection with the lower Court holding that a particular tariff policy, in connection with electricity generation, was discriminatory in nature and ought to be negated. This appeal has been filed under Section 125 of the Electricity Act, 2003. No monetary reliefs have been quantified or claimed in these proceedings. The matter is pending final hearing and disposal.

4. A writ petition bearing no. WP (Civil) No. 95 of 2016 have been initiated by our Company and another, against the State of Chhattisgarh and another, before the High Court of Chhattisgarh at Bilaspur. Our Company has sought, *inter-alia*, the following reliefs in these proceedings: (i) a declaration that Section 41(2) (c) of the Indian Forest Act, 1927, does not apply to our Company, as the activities in question are governed by the Mines and Minerals (Development and Regulation) Act, 1957; (ii) a declaration that Rule 5 of the Chhattisgarh Transit (Forest Produce) Rules, 2001, is ultra vires to the provisions of the Forest Act, 1927, the Mines and Minerals (Development and Regulations) Act, 1957, and Articles 14, 19, 265 and 301 of the Constitution of India; (iii) an order quashing and setting aside the two State notifications in this regard; (iv) a direction for the refund of the amounts deposited by our Company under protest, as transit fee, with interest thereon. The petition has been transferred to Supreme Court. The matter is pending hearing and final disposal.

5. A writ petition bearing no. W P (C) No. 1368 /2013 have been initiated by our Company against the State of Chhattisgarh and others, before the High Court of Chhattisgarh at Bilaspur, in connection with, inter-alia, (i) a declaration that the following regulations are ultra vires being unconstitutional, illegal, without competence and without jurisdiction: Regulation 11(6)(b)(ii) of the Chhattisgarh Electricity Regulatory Commission (Intra State Open Access in Chhattisgarh) Regulations, 2005, (collectively referred to as the "Impugned Regulations"); and, Regulation 33 (6)(b)(ii) of the Chhattisgarh Electricity Regulatory Commission (Intra State Open Access in Chhattisgarh) Regulations, 2011; (ii) quashing three demand cum disconnection notices which seek to levy a cross subsidy surcharge for the years 2009-10 to 2011-12, on the basis of the Impugned Regulations. High Court of Chhattisgarh then dismissed the case and passed an order dated August 31, 2018 and accordingly CSPDCL has issued notice for payment of ₹ 118.43 million (Borjhara Division) and ₹ 10.83 million (TMT Division). Our Company has filed a special leave petition before the Supreme Court against the said order. The matter is pending hearing and final disposal.

6. A writ petition bearing no. W P (C) No. 262 of 2017 have been initiated by our Company against: (a) the Union of India (Ministry of Mines); (b) the Union of India (Ministry of Environment, Forest and Climate Change), ("**Respondent No. 2**"); and, (c) the State of Jharkhand, (Department of Mineral Resources, Government of Chhattisgarh), before the High Court of Delhi, in connection with part of our mining activities for iron ore. In this writ petition, our Company has sought, inter-alia, a Writ/Order/direction/declaration confirming/directing that: (i) the right of our Company for grant of mining lease shall not be forfeited in the event the mining lease deed is not executed and/or re-executed on or before Jan 11, 2017; (ii) the provisions of Rule 8(4) of the Mineral Concession Rules, 2016, to the extent it seeks to forfeit the right of our Company on or before Jan 11, 2017, is declared as being ultra vires; (iii) the mining lease can be executed even after Jan 11, 2017, and should be executed promptly; and, (iv) Respondent No. 2 to expedite the process of grant of approval for execution of the Mining Lease Deed. The Respondent No. 1 have filed an application for transfer of this matter to Supreme Court. The matter is pending hearing and final disposal.

7. A writ petition bearing no. W P (C) No. 36 of 2013 have been initiated by our Company and another, against the State of Chhattisgarh before the High Court of Chhattisgarh at Bilaspur. The matter in connection with the quashing of two notifications in connection with the industrial policy of 2004-09, which had the effect of

arbitrarily altering the subsidies that were otherwise available to the Company by virtue of the Fixed Capital Investment Subsidy Scheme and Rules of 2004, being 25% of the total investment made by our Company. The State of Chhattisgarh has then filed a special leave petition no 8704/2020 in the matter and is pending hearing and final disposal.

8. A writ petition bearing no. W. P (C) No. 952 of 2013 have been initiated by our Company and others, against the State of Chhattisgarh and others, before the High Court of Chhattisgarh at Bilaspur, in connection with an impugned circular dated June 5, 2012, issued by the Department of Industries, Government of Chhattisgarh, and a consequent claim for payment of a premium by our Company, in connection with the lease of immoveable property by our Company from the Chhattisgarh State Industrial Development Corporation. The matter has been initiated, to *inter-alia*, quash the said claim for payment of premium, and for a declaration that the said circular does not apply to our Company. The amount involved in these proceedings is ₹ 22.55 million. The matter is pending hearing and final disposal.

9. A writ petition bearing no. W. P (C) No. 1943 of 2020 have been initiated by our Company ("**Petitioner**") against the State of Chhattisgarh and others ("**Respondents**"), before the High Court of Chhattisgarh at Bilaspur, challenging the legality, validity and propriety of impugned order dated July 13, 2020 passed by the Secretary, Department of Mineral Resource, State of Chhattisgarh, impugned letter dated July 31, 2020 issued by the collector, District-Kanker, Chhattisgarh and impugned demand notice dated September 20, 2019 issued by the Division Forest Officer, East Bhanupratappur Forest Division, Kanker, Chhattisgarh, whereby the Petitioner had been directed to deposit a sum of ₹ 6.83 million towards compensation on prorata basis payable to the villagers in the name of grazing, collection of tendu leaves and other NTFP presently accruing from forest land which was proposed for diversion for mining activity for the Petitioner. The matter is pending hearing and final disposal.

Other proceedings initiated against our Company

1. A revision petition has been filed by Indus Steel & Power Limited, ("**Petitioner**"), against the State of Chhattisgarh, (the Secretary Mineral Resource Department Raipur), ("**Respondent No. 1**"), and others, (including our Company), before the Secretary To Government of India, Ministry of Mines, New Delhi, (namely the authority constituted under Section 30 of the Mines and Minerals (Regulation and Development) Act, 1957, as read with Rule 54 of the Mineral Concession Rules, 1960. This Petition, inter-alia, challenges the order dated February 18, 2011, of the Respondent No. 1, which rejects the Petitioners Prospecting License Application. Our Company has been made a party to these proceedings as the Petitioner has, inter-alia, alleged that Respondent No. 1 has been granting prospecting licenses to other persons who allegedly do not hold any priority under law. The Petition prays for, inter-alia, the grant of the said Prospecting License, and the setting aside of the said order dated February 18, 2011. No monetary reliefs have been claimed in this Petition. The matter is pending hearing and final disposal.

2. Vandana Energy & Steel Private Limited ("**Petitioner**") has filed the writ petition 3999/2010 before High Court of Delhi against Union of India and others ("**Respondents**") being aggrieved from the order passed by the Mines Tribunal, New Delhi. The State Government of Chhattisgarh has granted mining land over 57 Ha. of forest land for iron ore mining purposes to our Company in Chottedonger, District Narayanpur for a period of 30 years. Earlier Mineral Resource Department, Government of Chhattisgarh recommended our application for grant of PL against our application for grant of mining land to Ministry of Mines Government of India, New Delhi under section 5 (1) of MMDR Act, after grant of PL the Company have commenced prospecting work and applied for mining land which was also approved by Ministry of Mines Government of India, New Delhi under section 5 (1) of MMDR Act, after issuing LOI by Mineral resource department, State Government. No monetary reliefs have been claimed in this Petition. The matter is pending hearing and final disposal.

IV. Litigation involving our Subsidiaries

A. Outstanding criminal proceedings involving our Subsidiaries

Criminal proceedings initiated against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Subsidiaries.

Criminal proceedings initiated by our Subsidiaries

IAHEPL had entered into a consultancy services agreement with M/s Ashwini Saini and Co. IAHEPL has sought to initiate arbitral proceedings against M/s Ashwini Saini and Co., (proprietor), in connection with a claim amounting to ₹ 5 million, and a cheque being dishonoured in this regard. Accordingly, an arbitration petition has been filed before the High Court at New Delhi by IAHEPL. The appointment of an arbitrator is pending. M/s Ashwini Saini and Co., being moved the High Court of Chhattisgarh, Bilaspur, (M. Cr. C. (A) No.490/2016 845/2016), against the State of Chhattisgarh, in connection with the bail being granted to him in light of the criminal complaint which was filed against him by IAHEPL before the relevant police station. IAHEPL has filed its objections in this regard and the matter is pending final hearing and disposal.

B. Tax involving our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there is 1 outstanding tax proceedings involving IAHEPL and the aggregate amount involved in these matters is ₹ 789.77 million.

C. Other outstanding litigation involving our Subsidiaries

Civil litigations initiated against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Subsidiaries.

Civil litigations initiated by our Subsidiaries

1. An appeal bearing no I.A. 609 of 2019 has been filed by IAHEPL ("**Appellant**"), against the Chhattisgarh State Power Distribution Company Limited ("**CSPDCL**"), and, the Chhattisgarh State Electricity Regulatory Commission ("**CSERC**"), ("**Respondents**"), before the Appellate Tribunal for Electricity, to set aside the impugned order dated March 6, 2018 passed in Petition No. 39 of 2017 filed by CSPDCL before CSERC whereby the CSERC has wrongly determined the tariff of the Appellant for sale of power to the CSPDCL and impugned order dated March 7, 2019 passed in Review Petition No. 28 of 2018 against review petition filed by Appellant in CSERC. The amount involved in this matter is approximately ₹ 159.75 million. The matter is pending final hearing and disposal.

2. An Arbitration case no. (62 of 2020) has been filed by IAHEPL ("**Petitioner**"), against the State of Himachal Pradesh and others ("**Respondents**"), before the High Court of Himachal Pradesh, to appoint sole arbitrator under section 11 of Arbitration and Conciliation Act, 1996. The Petitioner had claimed financial losses due to delay in commissioning of project on account of agitations by local peoples for 183 days which has been recommended by Deputy Commissioner, Chamba. The Petitioner had sent a quantified claim of ₹ 344.88 million on September 12, 2018 to Director (Energy), Directorate of Energy, Government of Himachal Pradesh which was rejected. The Petitioner's multiple request to be compensated and appointment of arbitrator was turned down and rejected due to which this present matter is filed under section 11 of Arbitration and Conciliation Act, 1996. The matter is pending final hearing and disposal.

D. Pending action by statutory or regulatory authorities against our Subsidiaries

1. A civil appeal no. 393 of 2021 has been filed by Haryana Power Purchase Centre ("**Appellant**"), against the Haryana Electricity Regulatory Commission and other, ("**Respondents**"), against the impugned judgment and order dated January 28, 2021 passed by the Appellate Tribunal for Electricity at New Delhi ('**Appellate Tribunal'**), in Appeal No.271 of 2019, dismissing the appeal filed by the Appellant herein against the order dated March 8, .2019 passed by the Haryana Electricity Regulatory Commission ('the **State Commission'**) in Case No. HERC/PRO- 15 of 2016. IAHEPL had approached the Appellant for sale of Hydro Power from its Chanju-I, 36 MW (3x12 MW) Hydro Electricity Project situated at Chanju, District Chamba, Himachal Pradesh for a duration of 25 years upon which Appellant had filed the petition seeking approval for determination of tariff and approval on Power Purchase Agreement ("**PPA**") for supply of Power on long term basis. No monetary claims are involved in these proceedings. The matter is pending final hearing and disposal.

2. Proceedings have been initiated by IAHEPL against the Haryana Power Purchase Centre, Panchkula, before the Haryana Electricity Regulatory Commission (HERC/PRO-12 of 2019), for determination of tariff for supply of Power on long term basis from their 36 MW Chanju-I Hydro Electric Project located on the Chanju Nallah in the Chamba district of Himachal Pradesh. The matter is pending final hearing and disposal.

III. Litigation involving our Promoters

A. Outstanding criminal proceedings involving our Promoters

Criminal proceedings initiated against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Promoters.

Criminal proceedings initiated by our Promoters

Except one criminal matter initiated by our Company and Suresh Goel, against the Chhattisgarh Environment Conservation Board, and others, before the High Court of Chhattisgarh at Bilaspur, as disclosed in "*Criminal proceedings initiated by our Company*" involving above, there are no outstanding criminal proceedings initiated by our Promoters.

B. Tax proceedings involving our Promoters

Except the 2 tax proceedings involving Rajendra Goel amounting to ₹ 12.72 million, as disclosed in "*Tax matters involving our Company*" above, there are no outstanding tax proceedings involving our Promoters.

C. Other outstanding litigation involving our Promoters

Civil litigations initiated against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Promoters.

Civil litigations initiated by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated by our Promoters.

D. Pending action by statutory or regulatory authorities against our Promoters

Except as disclosed in "*Pending action by statutory or regulatory authorities involving our Company*" above, there are no outstanding actions involving our Promoters.

IV. Litigation involving our Directors

A. Outstanding criminal proceedings involving our Directors

Criminal proceedings initiated against our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Directors.

Criminal proceedings initiated by our Directors

Except one criminal matter initiated by our Company and Suresh Goel, against the Chhattisgarh Environment Conservation Board, and others, before the High Court of Chhattisgarh at Bilaspur, as disclosed in "*Criminal proceedings initiated by our Company*" involving above, there are no outstanding criminal proceedings initiated by our Directors.

B. Tax proceedings involving our Directors

Except the 2 tax proceedings involving Rajendra Goel amounting to ₹ 12.72 million, as disclosed in "*Tax matters involving our Company*" above, there are no outstanding tax proceedings involving our Directors.

C. Other outstanding litigation involving our Directors

Civil litigations initiated against our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Directors.

Civil litigations initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated by our Directors.

D. Pending action by statutory or regulatory authorities involving our Directors

Except as disclosed in "*Pending action by statutory or regulatory authorities involving our Company*" above, there are no outstanding actions involving our Directors.

V. Outstanding dues to small scale undertakings or any other creditors

In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds ₹ 77.06 million (being approximately five per cent. of total consolidated trade payables of our Company as at March 31, 2021 as per the Restated Financial Information of our Company) included in this Draft Red Herring Prospectus, shall be considered as 'material'. As per the Restated Financial Statements, our total outstanding consolidated trade payables as of March 31, 2021 was ₹ 1,541.23 million. Accordingly, creditors to whom outstanding dues exceeds ₹ 77.06 million have been considered as material creditors for the purposes of disclosure in the Draft Red Herring Prospectus. As of March 31, 2021, our Company owed outstanding dues of ₹ 1,541.23 million to a total of 957 material creditors. Details of outstanding dues to MSMEs and other creditors as of March 31, 2021 by our Company is set out below:

Particulars	Number of creditors	Amount due (in ₹ million)
Dues to material creditors	4	740.17
Dues to micro, small and medium enterprises	23	10.82
Other Creditors	930	790.25
Total	**957**	**1,541.23**

Complete details of outstanding over dues to our material creditors along with the name and amount involved as on March 31, 2021 for each such material creditor is available on the website of our Company at www.sbpil.co.in. Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.sbpil.co.in, would be doing so at their own risk.

VI. Material developments since the last balance sheet date

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on page 278, there have not arisen since March 31, 2021, the date of the last Restated Financial Statements included in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our profitability or operations taken as a whole or the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary material consents, licenses, permissions, registrations and approvals from the Government of India, various governmental agencies and other statutory and/ or regulatory authorities required for carrying out its present business activities. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. Certain approvals may have lapsed in their normal course and our Company has either made applications to the appropriate authorities for renewal of such licenses and/or approvals or is in the process of making such applications. For details in connection with the regulatory and legal framework within which we operate, see "Key Regulations and Policies" on page 175.

The objects clause of the memorandum of association enables our Company to undertake its present business activities.

1. Material Approvals in relation to incorporation of our Company

a) Certificate of Incorporation dated July 25, 2002, issued at Gwalior, by the Registrar of Companies, Madhya Pradesh and Chhattisgarh to our Company

b) Certificate for commencement of business dated February 5, 2004, issued at Gwalior, by the Registrar of Companies, Madhya Pradesh and Chhattisgarh to our Company.

c) Certificate of registration of order of high court on scheme of amalgamation of companies dated December 7, 2011 issued at Gwalior, by the Registrar of Companies, Madhya Pradesh and Chhattisgarh

2. Approvals in relation to the Issue

For details of approvals and authorization obtained by our Company in relation to the Issue, see "*Other Regulatory and Statutory Disclosures – Authority for the Issue*" on page 317.

3. Material Approvals in relation to the business operations of our Company, as applicable

Our Company has three manufacturing units, namely: (a) Unit I at Borjhara, Raipur; (b) Unit II at Gondawara, Raipur; and (c) Unit III at Tilda, Raipur Plant and is involved in mining operations at i) Uttar Bastar, Kanker, Chhattisgarh for mining of Iron Ore and ii) Vizianagaram, Andhra Pradesh for mining of Manganese Ore.

In order to operate these manufacturing and mining units, our Company is required to obtain certain approvals and/or licenses under various environmental legislations, labour and employee legislations, tax legislations, Further, our Company is also required to obtain import-export certificate ("**IEC**"), no-objection certificate ("**NOCs**") from concerned fire and safety departments, approvals for use of boilers under the Indian Boilers Act, 1923, NOC for withdrawal of ground water, NOC for surface water, trading licenses for storage and transport of minerals, certifications/licenses/registrations from Bureau of Indian Standards for billets and TMT etc.

A. Material trade related approvals

Our Company has been allotted the Importer-Exporter Code ("**IEC**") bearing IEC No. 1104003082 issued by the Ministry of Commerce and Industry, Government of India. In addition, our Company has also obtained valid trading licenses for processing and selling of minerals.

B. Material approvals under tax laws

Our Company is required to register itself under various tax laws such as the Income Tax Act, 1961, Goods and Services Act, 2017. Our Company is also required to pay state specific professional tax. Our Company has obtained the necessary licenses, approvals and registrations from the appropriate regulatory and governing authorities in relation to such tax laws.

C. Material registrations under environmental law

In order to operate our manufacturing and mining units, our Company has obtained the necessary clearances, approvals, licenses, authorizations, consent to operate, consent for emission of hazardous wastes under the Waste (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, Environment Act, 1986 and Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016 and other relevant rules and regulations, as applicable.

D. Material registrations under labour and employment laws

Our Company has obtained the relevant factories licenses in respect of each of the units where manufacturing and mining activities are undertaken. We have also obtained registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, Employees' State Insurance Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970.

4. Approvals in relation to intellectual property of our Company

Our Company has obtained the following trademark registrations

Sr. No.	Particulars of the mark	Trademark No.	Class	Valid/ renewed up to
1.	GOELTMT TRIGRIP	3364123	6	September 15, 2026
2.	TRIGRIP	3364124	6	September 15, 2026
3.	GOEL TMT AAPKE GHAR KO DE LAMBI UMAR	3919666	6	August 18, 2028
4.	GOEL PIPES	4083329	6	February 11, 2029
5.	GOEL PIPES	4315198	6	October 9, 2029
6.	**GOEL (LABEL)**	1469138	6	July 12, 2026
7.	**GOEL SARIA (LABEL)**	1399503	6	November 17, 2025
8.	GOEL TMT	2011124	17	August 19, 2030
9.	wire	2011125	17	August 19, 2030
10.	**GOEL TUBES**	4254019	6	August 2, 2029
11.	**GOEL TUBULAR**	4254021	6	August 2, 2029
12.	**GOEL ERW**	4254022	6	August 2, 2029
13.	**GOEL STEEL PIPES**	4254023	6	August 2, 2029

Sr. No.	Particulars of the mark	Trademark No.	Class	Valid/ renewed up to
14.	**GOEL SAW**	4254024	6	August 2, 2029
15.	गुणवत्ता का प्रतीक गोयल सरिया	2743212	6	May 24, 2024
16.	**GOEL**	2011126	17	August 19, 2030
17.		2011127	17	August 19, 2030
18.	GOEL TMT wire	2011128	17	August 19, 2030
19.	GOEL PLY	908041	19	March 7, 2030
20.	GOEL	908042	19	March 7, 2030

The following trademark application made by our Company has been objected:

Sr. No.	Particulars of the mark	Application No.	Class	Date of Application
1.	GOEL (LABEL)	1469137	6	July 12, 2006

The following trademark application made by our Company has been opposed:

Sr. No.	Particulars of the mark	Application No.	Class	Date of Application
1.	GOEL STRUCTURA	4254020	6	August 2, 2019

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board has approved the Issue pursuant to the resolution passed at its meeting held on June 15, 2021 and our Shareholders have approved the Fresh Issue pursuant to a special resolution passed on June 18, 2021. This Draft Red Herring Prospectus has been approved pursuant to a resolution passed by the Board on July 12, 2021.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, persons in control of our Company, persons in control of our corporate Promoters and the members of the Promoter Group have not been debarred or prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority / court.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable.

Directors associated with the securities market

None of our Directors are, in any manner, associated with the securities market. There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

Prohibition by RBI

Our Company, Promoters or Directors have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has had net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more that 50% are held in monetary assets;

- Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding there years (of 12 months each), with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and

- Our Company has not changed its name in the last one year.

Our Company's net tangible assets, operating profit, net worth, monetary assets, and monetary assets as a percentage of the net tangible assets, on a consolidated basis, derived from the Restated Financial Information included in this Draft Red Herring Prospectus, as at and for the Fiscals ended March 31, 2019, 2020, and 2021 is set forth below:

(₹ in million, unless otherwise stated)

Sr. No.	Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
A.	Net tangible assets, as restated [(1)]	12,988.71	9,272.95	7,694.23
B.	Monetary assets, as restated [(2)]	475.20	348.04	194.18

Sr. No.	Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
C.	Monetary assets as a percentage of Net tangible assets (in %), as restated	3.66%	3.75%	2.52%
D.	Net worth, as restated [(3)]	11,437.31	8,313.47	6,855.90
E.	Operating profits, as restated [(4)]	5,222.92	3,129.09	4,516.11

Notes:

(1) *"Net tangible assets" means the sum of all net assets of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 and deferred tax assets as defined in Ind AS 12 and excluding the impact of deferred tax liabilities as defined in Ind AS 12 issued by Institute of Chartered Accountants of India.*

(2) *"Monetary assets" is the aggregate of cash in hand and balance with banks (including other bank balances and interest accrued thereon).*

(3) *"Net worth" has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation) and intangible assets and goodwill, each on a restated basis.*

(4) *"Operating profit" has been calculated as as net profit after tax before OCI plus interest expense plus taxes excluding non-operating income.*

Our Company has operating profits in each of Fiscal 2019, 2020, and 2021, in terms of our Restated Financial Information.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by SEBI.

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) None of our Company, our Promoters or Directors is a Wilful Defaulter (as defined in the SEBI ICDR Regulations).

(d) None of our Promoters or Directors has been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

(e) Except employee stock options granted pursuant to the ESOP 2021, there are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus.

DISCLAIMER CLAUSE OF SEBI

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS 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 RED HERRING PROSPECTUS. THE BRLMs, BEING EQUIRUS CAPITAL PRIVATE LIMITED AND SBI CAPITAL

MARKETS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 12, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND / OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements of any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.sbpil.co.in, would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement and Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

None among our Company or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non compliances by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and its group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and its group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Raipur only.

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

Eligibility and transfer restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Applications shall made be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Issue. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Consents

Consents in writing of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Statutory Auditors, legal counsel to the Issue, Banker(s) to our Company, the BRLMs, the Registrar to the

Issue and chartered engineer have been obtained; and consents in writing of the Syndicate Members, Monitoring Agency, Public Issue Account Bank, Sponsor Bank, Escrow Collection Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with the RoC.

Expert to the Issue

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

Our Company has received written consent dated July 12, 2021 from our Statutory Auditors, S S S D & Co, Chartered Accountants to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as independent statutory auditors and in respect of their (i) examination report dated July 12, 2021 on the Restated Financial Information; and (ii) report dated July 12, 2021 on the statement of possible special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

In addition, our Company has received written consents dated July 9, 2021 from Agrawal & Associates, as chartered engineer to include his name as an "expert" as defined under Section 2(38) and other applicable provisions of the Companies Act, 2013 in respect of the certificate dated July 9, 2021, on the manufacturing capacity at the Company's manufacturing facilities and its utilization at the manufacturing facilities including other details, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Particulars regarding public or rights issues by our Company during the last five years and performance vis-à-vis objects

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – last one public / rights issue of Subsidiaries and Promoters

Our corporate Promoter and our Subsidiaries have not made any public issue or rights issue during the ten years immediately preceding the date of this Draft Red Herring Prospectus.

Underwriting commission, brokerage and selling commission paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by our Company

Except as stated in "*Capital Structure*" on page 68, Our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by listed group companies, subsidiaries or associates of our Company

None of the securities of our Subsidiaries are listed on any stock exchange. One of our Group Companies, namely Shri Bajrang Alliance Limited has equity shares listed on the Stock Exchanges. Shri Bajrang Alliance Limited has not made any public, rights or composite issue during the three years preceding the date of this Draft Red Herring Prospectus. Our Company does not have any associates.

Past information of past issues handled by the BRLM

A. Equirus Capital Private Limited

Price information of past issues handled by Equirus Capital Private Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Antony Waste Handling Cell Limited	2,999.85	315.00	January 01,2021	436.10	-10.27% [-2.74%]	-23.21% [+4.80%]	2.14% [12.34%]

***Source**: www.nseindia.com for price information and prospectus for issue details*
Notes:
- *i. The S&P CNX NIFTY is considered as the Benchmark Index.*
- *ii. Price on NSE is considered for all of the above calculations.*
- *iii. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.*

Summary statement of price information of past public issues handled by Equirus Capital Private Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020 -2021	1	2,999.85	-	-	1	-	-	-	-	-	-	-	-	1
2019 -2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-

** The information is as on the date of this Draft Red Herring Prospectus.*
The information for each of the financial years is based on issues listed during such financial year.

SBI Capital Markets Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by SBI Capital Markets Limited:

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Shyam Metalics and Energy Limited (1)	9085.50	306.00	June 24, 2021	380.00	NA	NA	NA
2	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [5.21%]	NA	NA
3	Barbeque-Nation Hospitality Limited	4528.74	500.00	April 07, 2021	489.85	18.77% [-0.64%]	76.97% [+6.85%]	NA
4	Suryoday Small Finance Bank Ltd (2)	5,808.39	305.00	March 26, 2021	292.00	-18.38% [-1.14%]	-27.48% [+8.84%]	NA
5	Kalyan Jewellers India Ltd (3)	11748.16	87.00	March 26, 2021	73.95	-24.60% [-1.14%]	-8.33% [+8.84%]	NA
6	Railtel Corporation of India Limited	8192.42	94.00	February 26, 2021	109.00	35.64% [-0.15%]	37.50% [5.32%]	NA
7	Indian Railway Finance Corporation Ltd	46,333.79	26.00	January 29, 2021	24.90	-5.19% [+6.56%]	-18.65% [+9.02%]	NA
8	Mrs. Bectors Food Specialities Limited (4)	5,405.40	288.00	December 24,2020	500.00	37.69% [+4.53%]	19.93% [+7.75%]	40.59% [+14.53%]
9	UTI Asset Management Company Ltd	21,598.84	554.00	October 12, 2020	500.00	-10.43% [+5.87%]	-0.60% [+20.25%]	5.81% [+24.34%]
10	Angel Broking Limited	6,000.00	306.00	October 05, 2020	275.00	-2.32% [+2.70%]	10.01% [+21.86%]	-3.74% [+29.24%]

Source: www.nseindia.com

Notes:

** The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days isa trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*
** The Nifty 50 index is considered as the Benchmark Index*

1. *Price for eligible employee was Rs 291.00 per equity share*
2. *Price for eligible employee was Rs 275.00 per equity share*
3. *Price for eligible employee was Rs 89.00 per equity share*
4. *Price for eligible employee was Rs 273.00 per equity share*

2. Summary statement of disclosure Price information of past issues during current financial year and two financial years preceding the current financial year handled by SBI Capital Markets Limited:

Financial Year	Total no. of IPOs #	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	3	38,614.24	-	-	-	-	1	1	-	-	-	-	-	-
2020-21*	7	1,05,087.00	-	-	5	-	2	-	-	1	2	-	-	-
2019-20	3	138,283.86	-	1	1	1	-	-	1	-	-	1	-	1

** The information is as on the date of this Offer Document.*

 # Date of Listing for the issue is used to determine which financial year that particular issue falls into

Track record of past issues handled by the BRLMs

For details regarding the track record of the Book Running Lead Managers, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, see "*General Information – Book Running Lead Managers*" on page 60.

Stock Market Data of Equity Shares

This being an initial public offer of the Equity Shares, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

In accordance with the SEBI circulars dated February 15, 2018, March 16, 2021 and June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular dated March 16, 2021 in the event of (i) delayed unblock for cancelled/withdrawn/deleted applications; (ii) blocking of multiple amounts for the same UPI application; (iii) blocking of more amount than the application amount; (iv) delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount for the period of such delay.

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLMs.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company has not received investor complaints in relation to the Equity Shares for the three years prior to the filing of the Draft Red Herring Prospectus, hence no investor complaint in relation to our Company is pending as on the date of filing of the Draft Red Herring Prospectus.

Disposal of Investor Grievances by our Company

Our Company will obtain authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be five Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also appointed Parul Verma, Company Secretary of our Company, as the Compliance Officer for the Issue. For details, see "*General Information*" on page 59.

Our Company has constituted a Stakeholders' Relationship Committee comprising of Anshul Dave, Chairman, Jayata Prakash Agarwal and Anand Goel as members. For details, see "*Our Management - Stakeholders' Relationship Committee*" on page 205.

SECTION VII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares offered and Allotted in the Issue will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by the SEBI, the Government, the Stock Exchanges, the RoC, the RBI, and / or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Issue.

Issue related expenses

The Issue comprises of fresh Issue of Equity Shares.

All Issue related expenses shall be borne by our Company. For further details in relation to Issue related expenses, see "*Objects of the Issue*" on page 90.

Ranking of Equity Shares

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, our Memorandum of Association and our Articles of Association, and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see *"Description of Equity Shares and Terms of Articles of Association"* beginning on page 356.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our Shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect. All dividends declared, after the date of Allotment in this Issue, will be payable to the Bidders who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable law. For more information, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of Articles of Association*" on pages 229 and 356, respectively.

Face Value and Issue Price

The face value of each Equity Share is ₹10. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share. The Price Band and minimum Bid Lot, for the Issue will be decided by our Company in consultation with the BRLMs, and advertised in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●] (Hindi being the regional language of Chhattisgarh, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid / Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges.

The Issue Price shall be determined by our Company in consultation with the BRLMs, after the Bid / Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act and e-voting;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable laws including any RBI rules and foreign exchange regulations and other applicable law; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, Listing Regulations and the Articles of Association our Company.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "*Description of Equity Shares and Terms of Articles of Association*" on page 356.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated November 16, 2010 among NSDL, our Company and the Registrar to the Issue.
- Tripartite Agreement dated June 22, 2018 among CDSL, our Company and Registrar to the Issue.

Market Lot and Trading Lot

Further, the trading of the Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Subject to provisions contained in our Articles of Association, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Raipur, Chhattisgarh.

Period of operation of subscription list

See "*Terms of the Issue – Bid / Issue Period*" on page 329.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, alienation or transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Depository Participant.

Bid/Issue Period

BID/ISSUE OPENS ON*	[●]
BID/ISSUE CLOSES ON (1)**	[●]

** Our Company may in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date.*

*** Our Company may in consultation with the BRLMs, consider closing the Bid / Issue Period for QIBs one day prior to the Bid / Issue Closing Date in accordance with the SEBI ICDR Regulations.*

(1) UPI mandate end time and date shall be at 12.00 pm on [●].

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about [●]
Credit of the Equity Shares to depository accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

** In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the*

Company with the SCSBs to the extent applicable.

The above timetable is indicative and does not constitute any obligation or impose liability on our Company or the BRLMs.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid / Issue Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company in consultation with BRLMs, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")) during the Bid / Issue Period (except on the Bid / Issue Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form except that:

(i) on the Bid / Issue Closing Date for QIBs, in case of Bids by QIBs under the QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time)* and uploaded until 4.00 p.m. (IST);

**UPI mandate end time and date shall be at 12.00 pm on [●].*

(ii) (on the Bid / Issue Closing Date:

a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid / Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid / Issue Closing Date and, in any case, no later than 1.00 p.m. (IST) on the Bid / Issue Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid / Issue Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Issue. Bids will only be accepted on Working Days.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor any member of the Syndicate is liable for any failure in: (i) uploading or downloading the Bids due to faults in any software / hardware system or otherwise, and (ii) the blocking of the Bid Amount in the ASBA Account of Bidders on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid / Issue Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision in the Price Band, the Bid / Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid / Issue Period not exceeding 10 Working Days. Further, in cases of force majeure, strike or similar circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, may extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid / Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Minimum subscription

If our Company does not receive (i) the minimum subscription of 90% of the Issue; or (ii) minimum subscription in the Issue as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, if any, in accordance with applicable laws, or if the subscription level falls below the thresholds mentioned above after the Bid/Issue Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued or offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021.If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Issue Equity Share Capital of our Company, Promoters' Contribution and Equity Shares allotted to Anchor Investors pursuant to the Issue, as detailed in "*Capital Structure*" on page 68 and except as provided in our Article of Associations, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Description of Equity Shares and Terms of Articles of Association*" on page 356.

Option to receive Equity Shares in dematerialized form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Issue

Our Company in consultation with the BRLMs, reserve the right not to proceed with the entire or portion of the Issue for any reason at any time after the Bid / Issue Opening Date but before the Allotment. In such an event, our

Company would issue a public notice in the same newspapers, in which the pre- Issue advertisements were published, within two days of the Bid / Issue Closing Date, providing reasons for not proceeding with the Issue. Further, the Stock Exchanges shall be informed promptly in this regard by our Company, and the BRLMs, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared and the Stock Exchanges will also be informed promptly. In the event of withdrawal of the Issue and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed.

ISSUE STRUCTURE

The Issue is being made through the Book Building Process. The Issue is of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a securities premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million. The Issue shall constitute [●]% of the post-Issue paid-up Equity Share capital of our Company.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment / allocation* (2)	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue Size available for Allotment / allocation	Not more than 50% of the Issue shall be allocated to QIB Bidders. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the Net QIB Portion. The unsubscribed portion in the Mutual Fund portion will be available to other QIBs.	Not less than 15% of the Issue, or the Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 35% of the Issue, or the Issue less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment / allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per a) above Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least onethird will be available for	Proportionate	Proportionate, subject to the minimum Bid Lot. The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For further details, see the General Information Document.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	allocation to domestic Mutual Funds only.		
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue less the QIB Portion, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Bid Lot	A minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of allotment	Compulsorily in dematerialised form		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply[3]	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies and trusts, corporate bodies and family offices which are recategorised as Category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[4] **In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) including UPI ID in case of RIBs, that is specified in the ASBA Form at the time of submission of the ASBA Form		

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process	Only through the ASBA process / UPI mechanism

**Assuming full subscription in the Issue.*

(1) Our Company in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Issue Procedure" on page 336.

(2) Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR. The Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.

(3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company, in consultation with the BRLMs, reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(4) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see "Terms of the Issue" on page 327.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs, and the Designated Stock Exchange.

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "General Information Document"), which highlight the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations, which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by RIBs through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of confirmation of allocation note ("**CAN**") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Forms; (viii) other instructions (limited to joint Bids in cases of individual, multiple Bids and instances when an application would be rejected on technical grounds); (ix) designated date; (x) disposal of applications; (xi) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI, through the UPI Circulars, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI through its circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus.*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Our Company and the Members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of

Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

Book Building Procedure

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process, in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be Allotted to QIBs on a proportionate basis, provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category (other than Anchor Investor Portion). 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

Copies of the ASBA Forms and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office and Corporate Office. The ASBA Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Issue Opening Date. Anchor Investor Application Forms shall be available at the offices of the BRLMs.

Bidders (other than RIBs using the UPI Mechanism and Anchor Investors) must provide bank account details and authorisation by the ASBA bank account holder to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form. ASBA Forms that do not contain such details are liable to be rejected. The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Issue for purpose of reconciliation.

RIBs using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs using UPI Mechanism, may submit their ASBA Forms including details of their UPI IDs with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or by Sponsor Bank under the UPI Mechanism, as applicable at the time of submitting the Bid.

Anchor Investors are not permitted to participate in the Issue through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the Book Running Lead Managers.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs and Eligible NRIs, applying on a repatriation basis	[●]
Anchor Investors	[●]

** Excluding electronic Bid cum Application Forms*

Notes:

1) *Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).*
2) *Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges.

Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID / Client

ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLMs shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group.

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Managers nor any associates of the Book Running Lead Managers can apply in the Issue under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the Book Running Lead Managers

(ii) insurance companies promoted by entities which are associate of the Book Running Lead Managers

(iii) AIFs sponsored by the entities which are associate of the Book Running Lead Managers; or

(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the Book Running Lead Managers.

Further, persons related to our Promoters and Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "person related to the Promoters or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of a BRLM, if: (a) either of them controls , directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

The Promoters and the members of the Promoter Group will not participate in the Issue.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights. No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme.

Bids by HUFs

Bids by HUFs shall be in the individual name of the karta. The Bidder / Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder / Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the karta". Bids / Applications by HUFs may be considered at par with Bids / Applications from individuals.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the BRLMs, Syndicate Member and sub-syndicate members at select locations as specified in the Bid cum Application Form. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB or should confirm / accept the UPI Mandate Request (in case of RIBs using the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts or Foreign Currency Non-Resident Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their SCSBs or should confirm / accept the UPI Mandate Request (in case of RIBs Bidding using the UPI Mechanism) to block their Non- Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. However, NRIs applying in the Issue through the UPI Mechanism, are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their Bid cum Application.

Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE / NRO accounts.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents. Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents.

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 354. Participation of Eligible NRIs shall be subject to the FEMA NDI Rules.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Issue Equity Share capital on a fully diluted basis.

In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be reclassified 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., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents ([●] in colour). A certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;

b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;

c) such offshore derivative instruments are issued after compliance with the ‘know your client’ norms as specified by SEBI; and

d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and

- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected. Participation of FPIs in the Issue shall be subject to the FEMA Rules.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations, inter-alia, prescribe the respective investment restrictions on VCFs and AIFs registered with SEBI. Accordingly, the holding by any individual VCF registered with SEBI, in any company should not exceed 25% of the corpus of the VCF. Further, VCFs can invest only up to /3% of the investible funds in various prescribed instruments, including in public offerings.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A Category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up, and such funds shall not launch any new scheme after notification of the SEBI AIF Regulations.

FVCIs registered with SEBI are not permitted to participate in the Issue.

There is no reservation for Eligible NRI Bidders, AIFs, and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Neither our Company nor the BRLMs will be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies shall be in accordance with the Banking Regulation Act, 1949 and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively.

Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by systemically important non-banking financial companies

In case of Bids made by NBFC-SI, (i) a certified copy of the certificate of registration issued by the RBI, (ii) a certified copy of its last audited financial statements on a standalone basis, and (iii) a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form, along with other approval as may be required by the Systemically Important NBFCs. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SIs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million, in each case, subject to applicable law and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLMs, may deem fit, without assigning any reasons thereof.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date, i.e., the

Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million

b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

c) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Issue Price.

(ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(x) Neither the BRLMs or any associate of the BRLMs ((except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associate of the BRLMs) nor any "person related to the Promoters or Promoter Group" shall apply in the Issue under the Anchor Investor Portion. For further details, see "*– Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group*" on page 339.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see the General Information Document.

Bids by provident funds / pension funds

In case of Bids made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason therefor.

The Equity Shares offered in the Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

The above information is given for the benefit of the Bidders. Our Company and the Members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

Information for Bidders

The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip ("**Acknowledgement Slip**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form. It is the Bidder's responsibility to obtain the Acknowledgment Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgment Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

In the event of an upward revision in the Price Band, RIBs who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed ₹ 200,000 with respect to RIBs if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e. the original Bid Amount plus additional payment) exceeds ₹ 200,000 with respect to RIBs, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

In the event of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

Pre- Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●] (Hindi being the regional language of Chhattisgarh, where our Registered Office is located), each with wide circulation.

Our Company shall, in the pre-Issue advertisement state the Bid / Issue Opening Date, the Bid / Issue Closing Date and the Bid / Issue Closing Date for QIBs.

Allotment Advertisement

Our Company, the Book Running Lead Managers and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●] (Hindi being the regional language of Chhattisgarh, where our Registered Office is located), each with wide circulation, respectively.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company will enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Issue Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC, in accordance with applicable law. The Prospectus will contain details of the Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and will be complete in all material respects.

GENERAL INSTRUCTIONS

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid / Issue Period and withdraw their Bid(s) until Bid / Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

5. Ensure that your Bid cum Application Form bearing the stamp of the relevant Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

6. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;

7. Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Bid cum Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Bid cum Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars;

8. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Bid cum Application Form;

9. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;

10. RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure

'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

11. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue;

12. RIBs submitting a Bid cum Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

13. RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Bid cum Application Form;

14. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;

15. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

17. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

18. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

19. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

20. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

21. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;

22. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected

23. Ensure that Anchor Investors submit their Anchor Investor Application Form only to the BRLMs;

24. Ensure that the Demographic Details are updated, true and correct in all respects;

25. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

26. Ensure that the correct investor category and the investor status is indicated in the Bid cum Application Form;

27. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;

28. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

29. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;

30. Ensure that where the Bid cum Application Form is submitted in joint names, the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

31. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and in case of Bidding through a Designated Intermediary (other than for Anchor Investors and RIBs) the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in) or such other websites as updated from time to time;

32. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

33. For RIBs using the UPI Mechanism, ensure that you approve the Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

34. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;

35. RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid / Issue Closing Date;

36. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

37. RIBs using the UPI Mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form;

38. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

39. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and

40. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case maybe, after you have submitted a Bid to a Designated Intermediary;

4. RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

5. RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

6. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

7. Do not submit a Bid using UPI ID, if you are not a RIB;

8. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

9. Anchor Investors should not Bid through the ASBA process;

10. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company or at a location other than the Bidding Centres. Provided that RIBs not using the UPI Mechanism should not submit Bid cum Application Forms with Designated Intermediaries (other than SCSBs);

11. Do not Bid on a physical ASBA Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not Bid at Cut-off Price in case of Bids by QIBs and Non-Institutional Bidders;

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;

14. If you are a Non-Institutional Bidder or a Retail Individual Bidder, do not submit your Bid after 3.00 pm on the Bid/ Issue Closing Date;

15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/ Issue Closing Date

16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

17. Do not submit the General Index Register (GIR) number instead of the PAN;

18. Do not submit incorrect UPI ID details if you are a RIB Bidding through the UPI Mechanism;

19. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;

21. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs using the UPI Mechanism;

22. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

23. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations;

24. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;

26. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

27. Do not Bid for Equity Shares in excess of what is specified for each category;

28. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law (including if you are a FVCI or, multilateral or bilateral development financial institution) or your relevant constitutional documents or otherwise;

29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;

30. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

31. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

32. Do not submit a Bid cum Application Form using a third party bank account or using third party linked bank account UPI ID (in case of in case of Bids submitted by RIBs using the UPI Mechanism); and

33. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if any of the above instructions or any other condition mentioned in this Draft Red Herring Prospectus, as applicable, is not complied with.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bid submitted without instruction to the SCSB to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account or UPI ID (for RIBs using the UPI Mechanism) details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by RIBs using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID, subject to availability of information from the Sponsor Bank

6. Bids by HUFs not mentioned correctly as provided in "– *Bids by HUFs*" on page 340;

7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary

8. Bids submitted without the signature of the First Bidder or sole Bidder;

9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by cheque(s), demand draft(s), stock invest, money order, postal order or cash; and

15. Bids by OCBs.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the Book Running Lead Managers and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

In case of any pre-Issue or post Issue related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see "*General Information*" on page 59.

For helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "*General Information - Book Running Lead Managers*" on page 59.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent. of the Issue may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

Payment into Escrow Account for Anchor Investors

Our Company in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"

(ii) In case of non-resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company and the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated November 16, 2010 among NSDL, our Company and the Registrar to the Issue.

- Tripartite Agreement dated June 22, 2018 among CDSL, our Company and Registrar to the Issue.

Undertakings by our Company

Our Company undertakes the following:

(i) adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and to consider them similar to Anchor Investor Application Forms while finalising the Basis of Allotment;

(ii) the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

(iii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(iv) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/ Issue Closing Date or such other time as may be prescribed;

(v) that 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 our Company;

(vi) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vii) that if our Company does not proceed with the Issue after the Bid/ Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(viii) that if our Company in consultation with the BRLMs, withdraw the Issue after the Bid/ Issue Closing Date, our Company shall be required to file a fresh draft offer document with the SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter;

(ix) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and

(x) that no further issue of Equity Shares shall be made until the Equity Shares offered through this Draft Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

Utilisation of Issue Proceeds

Our Board of Directors certifies and declares that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

Our Company specifically confirm and declare that all monies received out of the Issue shall be transferred to a separate bank account other than the bank account referred to in sub-section 3 of Section 40 of the Companies Act, 2013.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is governed inter alia through the Industrial Policy, 1991 of the Government of India, FEMA and the FEMA NDI Rules. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries / departments are responsible for granting approval for foreign investment.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Policy**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

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 are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

As per the FDI policy, up to 100% FDI in the paid-up share capital of our Company is permitted under the automatic route.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

For further details, see "*Issue Procedure*" on page 336.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations, the Description of Equity Shares and Terms of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

Article No.	Title of Article	Description
SHARE CAPITAL AND VARIATION OF RIGHTS		
3	Authorised share capital	The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in Clause V of Memorandum of Association with power to increase or reduce the Capital in accordance with the Company's Regulations and legislative provisions for the time being in force on that behalf with the power to divide the share Capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and condition in such manner as may for the time being be provided by the Regulation of the Company and allowed by Law
4	Shares under control of Board	Subject to the provisions of the Companies Act and these Articles, the Shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
4A	Option or right to call of shares	The option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.
5	Directors may allot shares otherwise than for cash	Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or asset of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.
6	Kind of share capital	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws: a. Equity Share Capital: i. With voting rights; and/ or ii. With differential rights as to dividend, voting or otherwise in accordance with the Rules; and b. Preference Share Capital
	Right to convert	The Company shall have the right to convert any of its unissued equity shares into preference shares and vice versa, with such, rights, privileges and condition attaching thereto as may then be decided upon.
7	Issue of Certificate	Every person whose name is entered as aMember in the register of Members shall be entitled to receive within 2 (Two) months after allotment or within 1 (One) month from the date of receipt by the company of the application for the registration of transfer or transmission or within such other

Article No.	Title of Article	Description
		perod as the conditions of issue shall be provided,- a. one certificate for all his Shares without payment of any charges; or b. several certificates, each for one or more of this Shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.
	Certificate to bear seal	Every certificate under the Seal and shall specify the Share to which it relates and the amount paid-up thereon.
	One certificate for shares held jointly	In respect of any Shares or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.
8	Issuance of duplicate share and debenture certificate	If any Share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board or any committee thereof deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board or any committee thereof.
9	Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.	The provisions of the foregoing articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the act otherwise requires) of the Company.
10	Power to pay commission in connection with securities issued	The Company may exercise the powers of paying commissions conferred by the act, to any person in connection with the subscription to securities, provided that the rate percent or the amount of commission paid or agreed to be paid shall be disclosed in the manner required by the act and the rules.
	Rate of commission in accordance with Rules	The rate or amount of commission shall not exceed the rates or amount prescribed in the rules.
	Mode of payment of commission	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other.
11	Variation of members' rights	If at any time the Share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued Shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the Shares of that class, as prescribed by the Act.
	Provisions as to general meetings to apply mutatis mutandis to each meeting	To every such separate meeting, the provisions of these articles relating to general meetings shall mutatis mutandis apply.
12	Creation or issue of further shares ranking pari passu	The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking pari passu therewith.
13	Power to issue redeemable preference shares	Subject to the provisions of the Act, the Board shall have power to issue or re-issue Preference Shares of one or more

Article No.	Title of Article	Description
		class which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.
14	Further issue of share capital	The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to- a. persons who at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or b. employees under any scheme of employees' stock option; or c. any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.
	Mode of further issue of shares	Any further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.
	Minimum Application Value	The amount payable on application on each share shall not be less than 5 per cent of the nominal value of the share or, as may be specified by SEBI.
DEMATERIALISATION OF SECURITIES		
15	Dematerialization	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
	Depositories Act, 1996	Subject to the applicable provisions of the Act, either the Company or the person subscribing to securities offered by the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.
	Appropriate instructions to the Depository	Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles. The Company shall cause the Promoters to direct their respective Depository participants not to accept any instruction slip or delivery slip or other authorisation for Transfer in contravention of these Articles.
	Beneficial Owner of the Securities	If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities
	Securities in Depositories to be in fungible form	All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Section 88, 89 and 186 of the Act shall be apply to a depository in respect of the Securities held by it on behalf of the Beneficial Owners.
	Rights of Depositories and Beneficial Owner	a. <u>Registered Owner</u>: Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner

Article No.	Title of Article	Description
		for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner. b. No voting rights or any other rights: Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it. c. Shareholder of the Company: Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company. d. Beneficial Owner entitled to all the rights and subject to all the liabilities: The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.
	Absolute owner of securities	Except as ordered by a court of competent jurisdiction or as may be required by Law and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.
	Register of Index of Beneficial Owners	The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media. The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.
	Cancellation of Certificates upon surrender by Person	Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.
	Service of Documents	Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
	Transfer of Securities	Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and

Article No.	Title of Article	Description
		transferee both of whom are entered as Beneficial Owners in the records of a Depository. In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.
	Allotment of Securities dealt with in a Depository	Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.
	Certificate Number and other details of Securities in Depository	Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
	Register and Index of Beneficial Owners	The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security- holders for the purposes of these Articles.
	Provisions of Articles to apply to Shares held in Depository	Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.
	Depository to furnish information	Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.
	Option to opt out in respect of any such securities	If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
	Overriding effect of the article	Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained any other Articles.
LIEN		
16	Company’s lien on shares	The Company shall have a first and paramount lien: a. on every Share (not being a fully paid-up share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that Share; and b. on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company: Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
	Lien to extend to dividends, etc	The Company's lien, if any, on a Share shall extend to all dividends or interest, or the case as may be, payable and bonuses declared from time to time in respect of such Shares for any money owing to the Company.
	Waiver of lien in case of	Unless otherwise agreed by the Board, the registration of a

Article No.	Title of Article	Description
	registration	transfer of share shall operate as a waiver of the Company's lien.
17	As to enforcing lien by sale	The Company may sell, in such manner as the Board of Directors thinks fit, any Shares on which the Company has a lien: Provided that no sale shall be made- a. unless a sum in respect of which the lien exist is presently payable; or b. Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the shares or to the person entitled thereto by reason of his death or insolvency or otherwise.
18	Validity of Sale	To give effect to any such sale, the Board of Directors may authorize some person to transfer the Shares sold to the purchaser thereof.
	Purchaser to be registeredd holder	The purchaser shall be registered as the holder of the shares comprised in any such transfer.
	Validity of Company's receipt	The receipt of the Company for the consideration (if any) given for the shares on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
	Purchaser not affected	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings with reference to the sale.
19	Application of proceeds of sale	The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
	Payment of residual money	The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale.
20	Outsider's lien not to affect Company's lien	In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.
21	Provisions as to lien to apply mutatis mutandis to debentures, etc.	The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.
CALLS ON SHARES		
22	Board may make calls	The Board may, from time to time make calls upon the members in respect of any monies unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
	Notice of calls	Each member shall, subject to receiving of at least 14 (fourteen) days' notice specifying the time or times and place

Article No.	Title of Article	Description
		of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.
	Board may extend time for payment	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.
	Board of directors may revoke or postpone a call	A call may be revoked or postponed at the discretion of the Board of Directors.
23	Calls deemed to have been made	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing the call was passed and may be required to be paid by installments
24	Liability of joint-holders of shares	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing the call was passed and may be required to be paid by installments.
25	Interest payable on unpaid call	If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof ("the due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment actual payment at such rate as may be fixed by the Board or any committee thereof.
	Board may waive Interest	The Board of Directors shall be at liberty to waive payment of any such interest wholly or in part.
26	Sums deemed to calls	Any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
	Forfeiture of shares on case of non-payment of calls and interest	In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
27	Power of the Company to receive advance	The Board- (a) May, if it thinks fir, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any Shares held by him; and (b) Upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him.
28	Instalments on shares to be duly paid	If by the conditions of the allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instatements, then every such installment shall, when due, be paid to the Company by person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of the deceased registered holder.
29	Calls on shares of same class to be on uniform basis	All calls shall be made on a uniform basis on all share falling under the same class. Explanation: Shares of the same nominal value on which different amount have been paid-up shall not be deemed to fall under the same class.
30	Partial payment not to preclude forfeiture.	Neither a judgment nor a decree in favour of the Company for calls or other monies due in respect of any shares nor any part payment or satisfaction there of nor the receipt by the

Article No.	Title of Article	Description
		Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principle or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.
31	Provisions as to calls to apply mutatis mutandis to debentures, etc	The provision of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.
TRANSFER OF SHARES		
32	Instrument of transfer to be executed by transferor and transferee	1. The instrument of transfer of any Share in the Company shall be executed by or on behalf of both the transferor and transferee. 2. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members in respect thereof. 3. The company shall use a common form of transfer.
33	Board may refuse to register transfer	The Board of Directors may, subject to the right of appeal conferred by the Act, decline to register: a. the transfer of a Share, not being a fully paid Share, to a person of whom they do not approve; or b. any transfer of Shares on which the Company has a lien. Provided that registration of transfer shall not be refused on the ground of the transferor being alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever except when the Company has a lien on the Shares.
34	Board may decline to recognise instrument of transfer	In case of shares held in physical form, the Board of Directors may decline to recognize any instrument of transfer unless: a. the instrument of transfer is duly executed and is in the form as prescribed in rules made under the Act. b. the instrument of transfer is accompanied by the certificate of the Shares to which it is relates, and such other evidence as the Board of Directors may reasonably require to show the right of the transferor to make the transfer; and c. the instrument of transfer is in respect of only one class of Shares.
35	Transfer of shares when suspended	On giving of previous notice of at least seven days or such lesser period in accordance with the act and rules made thereunder the registration of transfer may be suspended at such time and for such period as the Board may from time to time determine: Provided that such registration shall not be suspended for more than 30 days at any one time or for more than 45 days in the aggregate in any year.
36	Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.	The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.
TRANSMISSION OF SHARES		
37	Title to shares on death of a member	On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the Shares.
	Estate of deceased member liable	Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any Share which had been jointly held by him with other persons.
38	Transmission clause	Any person becoming entitled to a Share in consequence of

Article No.	Title of Article	Description
		the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either: a. to be registered himself as holder of the Share; or b. to make such transfer of the Share as the deceased or insolvent Member could have made.
	Board right unaffected	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.
	Indemnity to the Company	The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the board to give effect to such registration or transfer.
39	Right to election of holder of share	If the person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
	Manner of testifying election	If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.
	Limitations applicable to notice	All the limitations, restrictions and provisions of these articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
40	Claimant to be entitled to same advantage	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.
41	Provisions as to transmission to apply mutatis mutandis to debentures, etc	The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.
FORFEITURE OF SHARES		
42	If call or instalment not paid notice must be given	If a Member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.
43	Form of notice	The notice aforesaid shall- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the

Article No.	Title of Article	Description
		notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made shall be liable to be forfeited.
44	In default of payment of shares to be forfeited	If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board of Directors to that effect.
45	Receipt of part amount or grant of indulgence not to affect forfeiture	Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividend declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.
46	Entry of forfeiture in register of members	When any share shall have been so forfeited, notice of forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.
47	Effect of forfeiture	The forfeiture of share shall involve extinction at the time of forfeiture, of all interest, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.
48	Forfeited shares may be sold, etc	A forfeiture of a share shall be deemed to be the property of the Company and any be sold or re-alloted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereof or to any other person on such terms and in such manner as the Board thinks fit.
	Cancellation of forfeiture	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it think fit.
49	Members still liable to pay money owing at the time of forfeiture	A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares.
	Members still liable to pay money owing at time of forfeiture and interest	All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.
	Cesser of Liability	The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.
50	Certificate of forfeiture	A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be

Article No.	Title of Article	Description
		entitled to the Share.
	Title of purchaser and transferee of forfeited shares	The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of.
	Transferee to be registered as holder	The transferee shall thereupon be registered as the holder of the share; and
	Transferee not affected	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the Share.
51	Validity of Shares	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.
52	Cancellation of share certificate in respect of forfeited shares	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.
53	Surrender of share certificates	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them as they think fit.
54	Sums deemed to be calls	The provisions of these articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
55	Provisions as to forfeiture of shares to apply mutatis mutandis to debentures, etc.	The provisions of these Articles relating to forfeiture of share shall mutatis mutandis apply to any other securities including debentures of the Company.
ALTERATION OF CAPITAL		
56	Power to alter capital	Subject to the provisions of the Act, the Company may, by Ordinary Resolution: a. increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; b. consolidate and divide all or any of its share capital into Shares of larger amount than its existing Shares: Provided that any consolidation and division which result in changes in the voting percentage of members shall require applicable approvals under the act; c. convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination; d. sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the Memorandum; e. cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Article No.	Title of Article	Description
57	Shares may be converted into stock	Where Shares are converted into stock: (a) the holder of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which , the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board of Directors may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.
	Right of stockholders	(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the Dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage. (c) Such of the Articles of the Company as are applicable to paid-up Shares shall apply to stock and the words “share” and “shareholder / members” in those regulations shall include “stock” and “stock-holders” respectively.
58	Reduction of capital	The Company may, by resolution as prescribed by the Act, reduce in any manner and with, and subject to, any incident authorized and consent required by law,- a. its share capital; and/or b. any capital redemption reserve account; and/or c. any securities premium account; and/or d. any other reserve in the nature of share capital.
59	Joint-holders	Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:
	Liability of joint-holders	The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.
	Death of one or more joint-holders	On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.
	Receipt of one sufficient	Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
	Delivery of certificate and giving of notice to first named holder	Only the person whose name stands first in the register of members as one of the joint-holders of any share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.

Article No.	Title of Article	Description
	Vote of joint-holders	Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands shall be entitled to vote in respect thereof.
	Executors or administrators as joint holders	Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.
	Provisions as to joint holders as to shares to apply mutatis mutandis to debentures, etc.	The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.
CAPITALISATION OF PROFITS		
60	Capitalisation and sum how applied	1. The Company by resolution as prescribed by the Act in general meeting may, upon the recommendation of the Board of Directors, resolve: a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and b. that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the Members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions. 2. The sum aforesaid shall not be paid in cash but shall be applied, subject to the applicable provisions contained in clause (3) below, either in or towards: a. paying up any amounts for the time being unpaid on any Shares held by such Members respectively; b. paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid; c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b); 3. A securities premium account and a capital redemption reserve account or any permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares; 4. The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
61	Powers of the Board for capitalisation	Whenever such a resolution as aforesaid shall have been passed, the Board shall- a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares if any; and b. generally do all acts and things required to give effect thereto.
	Board's power to issue fractional certificate/coupon etc.	The Board shall have power- a. to make such provisions, by the issue of fractional certificates / coupons or by payment in cash or otherwise as it thinks fit, for the case of Shares becoming distributable in fractions; and

Article No.	Title of Article	Description
		b. to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further Shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.
	Agreement binding on members	Any agreement made under such authority shall be effective and binding on such members.
BUY-BACK OF SHARES		
62	Buy back of Shares	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Actor any other law for the time being in force, the Company may purchase its own Shares or other specified securities.
GENERAL MEETINGS		
63	Extraordinary general meetings	All General meetings other than annual general meeting shall be called extraordinary general meeting.
64	Powers of Board to call extraordinary general meeting	The Board may, whenever it thinks fit, call an extraordinary general meeting.
PROCEEDINGS AT GENERAL MEETING		
65	No Business to be transacted in General Meeting if Quorum is not present	The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.
	Business confined to election of Chairperson whilst chair vacant	No business shall be discussed or transacted at any general meeting except election chairman whilst the chair is vacant.
66	Chairperson of the meetings	The Chairperson of the Board shall preside as chairperson at every general meeting of the Company.
67	Directors to elect a Chairperson	If there is no such Chairperson, or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall elect one of their Member to be Chairperson of the meeting.
68	Members to elect a Chairperson	If at any meeting no Director is willing to act as Chairperson or if no Director is present within (15) fifteen minutes after the time appointed for holding the meeting, the members present shall, choose one of their Members to be Chairperson of the meeting.
69	Casting vote of Chairperson at general meeting	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.
70	Minutes of proceedings of meetings	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors to be prepared and signed in such manner as may be prescribed by

Article No.	Title of Article	Description
		the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.
	Certain members not to be included in Minutes	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting- a. is, or could reasonably be regarded, as defamatory of any person; or b. is irrelevant or immaterial to the proceedings; or c. is detrimental to the interests of the Company.
	Discretion of Chairperson in relation to Minutes	The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.
	Minutes to be evidence	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.
71	Inspection of minute books of general meeting	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall: a. be kept at the registered office of the Company; and b. be open to inspection of any member without charge, during business hours on all working days.
	Members may obtain copy of minutes	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in Clause (1) above.
72	Powers to arrange security at meetings	The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.
ADJOURNMENT OF MEETING		
73	Chairperson may adjourn the meeting	The Chairperson may, suo motu, adjourn the meeting from time to time and from place to place.
	Business at adjourned meeting	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
	Notice of adjourned meeting	When a meeting is adjourned for 30 (Thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
	Notice of adjourned meeting not required	Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
VOTING RIGHTS		
74	Entitlement to vote on show of hands and on poll	Subject to any rights or restrictions for the time being attached to any class or classes of Shares,- a. on a show of hands, every Member present in person shall have one vote; and b. on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity share capital of the Company.
75	Voting through electronic means	A Member may exercise his vote at a meeting by electronic

Article No.	Title of Article	Description
		means in accordance with the Act and shall vote only once.
76	Vote of joint holders and seniority of names	1. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the Vote of joint-holders exclusion of the votes of the other joint holders. 2. For this purpose, seniority shall be determined by the order in which the names stand in the register of Members.
77	How members non compos mentis and minor may vote	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.
78	Votes in respect of shares of deceased or insolvent members, etc.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
79	Business may proceed pending poll	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
80	Restriction on voting rights	No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of Shares in the Company have been paid or in regard to which the Company has exercised any right of lien.
81	Restriction on exercise of voting rights in other cases to be void	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.
82	Equal rights of members	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.
PROXY		
83	Member may vote in person or otherwise	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.
	Proxies when to be deposited	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power a authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
84	Form of proxy	An instrument appointing a proxy shall be in the form as prescribed in the Rules.
85	Proxy to be valid notwithstanding	vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or

Article No.	Title of Article	Description
		insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
BOARD OF DIRECTORS		
86	Number of Directors	Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time. Provided that a Company may appoint more than 15 (fifteen) Directors after passing a Special Resolution in the general meeting.
87	First Directors	The first Directors of the Company are: 1. Shri Suresh Goel 2. Shri Rajendra Goel 3. Shri Bajrang Goel
88	Appointment of additional director	The Board of Directors shall have powers to appoint any person, other than a person who fails to get appointed as a Director in a general meeting, as an additional Director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier. Provided that the number of directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board of Directors by the Articles
89	Appointment of alternate director	The Board of Directors of the Company may, appoint a person, not being a person holding any alternate directorship for any other Director in the Company, to act as an alternate Director for a Director during his absence for a period of not less than three months from India. Provided that no person shall be appointed as an alternate Director for an independent Director unless he is qualified to be appointed as an independent Director under the provisions of the Act.
90	Appointment of nominee director	The Board of Directors may appoint any person as a Director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government Company.
91	Appointment of director to fill a casual vacancy	If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, in default of be filled by the Board of Directors at a meeting of the Board of Directors and shall hold office only up to the date to which the directors in whose place he is appointed would held office if it had not been vacated.
91A	Independent director	The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors)

Article No.	Title of Article	Description
		Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations.
92	One-Third of Directors to retire every year	At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the managing Director or whole-time Director(s), appointed or the Directors appointed as a Debenture Director, or the Directors appointed as Independent Director(s) under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.
93	Same individual may be Chairperson and Managing Director / Chief Executive Officer	The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.
94	Remuneration of directors	The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
	Remuneration to require members consent	The remuneration payable to the Directors of the Company, including any Managing or Whole-Time Director or Manager, if any, shall be determined, in accordance with and subject to the provision of the Act by an Ordinary Resolution passed by the Company in General Meeting.
	Travelling and other expenses	The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. a. In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or b. In connection with the business of the Company.
94A	Remuneration of Directors	The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to Section 197 of the Act.
95	Execution of negotiable instruments	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board of Directors shall from time to time by resolution determine.
BORROWING POWER		
96	Power to borrow	Subject to the provisions of the Act, Rules and Regulations as may be applicable, the Board may from time to time at its discretion by a resolution passed at a meeting of the Board, raise or borrow, either from directors or from elsewhere either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums or money for the purposes of the Company and may in this regard mortgage or otherwise encumber all or any part of its undertaking, property or uncalled capital, Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed the aggregate of the paid up capital of the Company and its

Article No.	Title of Article	Description
		free reserves (reserves not set apart for any specific purposes) the Board shall not borrow such money without the consent of the Company in General Meeting. Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, invite or accept or renew public deposits and related matters.
97	Payment or repayment of monies borrowed	The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respect as the resolution shall prescribe, including by the issue of debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) and/or any or all of the undertaking of the Company including its uncalled capital for the time being and debenture, debentures stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
98	Terms of issue of debentures	Any debentures, debenture stock or other debt securities may be issued at discount, premium or otherwise and subject to the provisions of the Act may be issued on condition that they shall be convertible into shares of any denomination and with any privileges or conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at general meetings, appointment of directors and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting.
99	General powers of the Company vested in Board	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
PROCEEDINGS OF THE BOARD		
100	When meeting to be convened, who may summon Board meeting and quorum of the Board meetings	1. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. 2. The Chairperson or any one Director with the previous consent of the Chairperson may, or the Company Secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board. 3. The quorum for a Board Meeting shall be as provided in the Act. 4. The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means, as may be prescribed by the Rules or permitted under law.
101	Decision by vote of majority	Save as otherwise expressly provided in the Act, questions

Article No.	Title of Article	Description
		arising at any meeting of the Board of Directors shall be decided by a majority of votes
	Casting vote of Chairperson at Board meeting	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
102	Directors not to act when number falls below minimum	The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
103	Who to preside at meetings of the Board	The Chairperson of the company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
	Directors to elect a Chairperson	If no such chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their numbers to be Chairperson of the meeting.
104	Delegation of powers	The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such Member or Members of its body as it thinks fit.
	Committee to conform to Board regulations	Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
	Participation at Committee meetings	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means, as may be prescribed by the Rules or permitted under law.
105	Chairperson of Committee	A committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, as appointed a Chairperson of such Committee.
	Who to preside at meetings of Committee	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the Members present may choose one of their Members to be Chairperson of the meeting.
106	Committee to meet	A committee may meet and adjourn as it thinks fit.
	Questions at committee meeting how decided	Questions arising at any meeting of a committee shall be determined by a majority of votes of the Members present.
	Casting vote of Chairperson at Committee meeting	In case of an equality of votes, the Chairperson shall have a second or casting vote.
107	Acts of Board or Committee valid notwithstanding defect of appointment	All acts done in any meeting of the Board of Directors or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a Director.
108	Passing of resolution by circulation	Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or

Article No.	Title of Article	Description
		committee, duly convened and held.
KEY MANAGERIAL PERSONNEL		
109	Chief Executive Officer, etc.	Subject to the provisions of the Act- A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
	Director may be chief executive officer, etc.	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
REGISTERS		
110	Statutory registers	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during business hours on all working days, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Act and the rules.
111	Foreign registers	a. The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. b. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.
THE SEAL		
112	The seal, its custody and use	The Board shall provide for the safe custody of the seal.
	Affixation of seal	The Seal of the Company shall be affixed to an instrument as may be required for that purposes in the presence of at least one Director or Company Secretary if any or such other person as may be authorized by resolution of Board or Committee of the Board and such person shall sign every instrument to which the Seal of the Company is so affixed in his presence.
DIVIDENDS AND RESERVE		
113	Company in general meeting may declare dividends	The Company in General Meeting may declare Dividend, but no Dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.
114	Interim dividends	Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividend of such amount on such class of shares and at such times as it may think fit.
115	Dividends only to be paid out of	The Board may, before recommending any Dividend, set aside

Article No.	Title of Article	Description
	profits	out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising Dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may, from time to time, thinks fit.
	Carry forward of profits	The Board also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
116	Division of profits	Subject to the rights of persons, if any, entitled to Shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the Dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, Dividends may be declared and paid according to the amounts of the Shares.
	Payments in advance	No amount paid or credited as paid on a Share in advance of calls shall be treated for the purposes of this article as paid on the Share.
	Dividends to be appropriated	All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the Dividend is paid; but if any Share is issued on terms providing that it shall rank for Dividend as from a particular date such Share shall rank for Dividend accordingly.
117	No member to receive dividend whilst indebted to the Company and Company's rights to reimbursement there from	The Board may deduct from any Dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares of the Company.
	Retention of dividends	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.
118	Dividend how remitted	Any Dividend, interest or other monies payable in cash in respect of Shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who, is first named on the register of Members, or to such person and to such address as the holder or joint holders may in writing direct.
	Instrument of payment	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
	Discharge to Company	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.
119	Receipt of one holder sufficient	Any one of two or more joint holders of a Share may give effective receipts for any Dividends, bonuses or other monies payable in respect of such Share.
120	No interest on dividends	No Dividend shall bear interest against the Company.
121	Waiver of dividends	The waiver in whole or in part of any dividend in any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person

Article No.	Title of Article	Description
		entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.
121A	Unpaid Dividend Account	If the Company has declared a dividend but which has not been paid or claimed within 30 (Thirty) days from the date of declaration the Company to any shareholder entitled to the payment of the dividend, the company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account. The Company shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the Central Government, for this purpose. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.
	Investor Education and Protection Fund	Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (Seven) years, from the date of such transfer shall be transferred by the Company to the Fund known as the Investor Education and Protection Fund established under the Act.
ACCOUNTS		
122	Inspection by Directors	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance provisions of the Act and the Rules.
	Restriction on inspection by members	No Member (not being a Director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.
	Board Report and Annual Evaluation	The Directors shall, from time to time, in accordance with sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting of the Shareholders of the Company, such Balance Sheets, Profit and Loss Accounts, if any, and the Reports as are required by those Sections of the Act.
WINDING UP		
123	Winding up of Company	Subject to the applicable provisions of the Act and Rules made thereunder: a. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. b. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. c. The liquidator may, with the like sanction, vest the whole or any part of such assets trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to

Article No.	Title of Article	Description
		accept any shares or other securities whereon there is any liability.
INDEMNITY AND INSURANCE		
124	Directors and officers right to indemnity	a. Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses. b. Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceeding, whether civil or criminal in which judgment is given in favour or in which he is acquitted or discharged or in connection with any application under applicable provision of the Act in which relief is given to him by the Court.
	Insurance	The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.
	Not responsible for acts of others	Subject to the provisions of the Act, no Director, Key Managerial Personnel or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for the sake of conformity or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Director for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising to the bankruptcy, insolvency or tortuous act of any person, Company or Corporation with whom any money, securities or effects shall be entrusted or deposited or for any loss occasioned by an error or judgement or oversight on his or their part or for any other loss or damage or misfortune whatever, which shall happen in the execution of the duties of his or their office or in relation thereto unless the same happens through his own dishonesty.
SECRECY		
125	Secrecy clause	a. Every Director, Manager, Auditor, Treasurer, Trustee member of a committee, officer, servant, agent, accountant, or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matter relating thereto, and shall by such declaration pledge himself not to reveal any of the

Article No.	Title of Article	Description
		matters which may come to his knowledge in discharge of his duties except when required so to do by the Directors or by law or by the persons to whom such matters are related and except so far as may be necessary in order to comply with any of the provisions in these presents contained. b. No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or Key Managerial Persons or Authorised Officials to require discovery of any information respecting any details of the company's trading, or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.
GENERAL POWER		
126	General Power	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting 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 Draft Red Herring Prospectus) which are or may be deemed material have been attached to the copy of the Red Herring Prospectus and will also be attached to the copy of this Prospectus which shall be delivered to the RoC. Copies of these 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 the Red Herring Prospectus until the Bid/Issue Closing Date.

1. Material Contracts for the Issue

i. Issue Agreement dated July 12, 2021 between our Company and the BRLMs.

ii. Registrar Agreement dated July 12, 2021 between our Company and the Registrar to the Issue.

iii. Cash Escrow and Sponsor Bank Agreement dated [●], 2021 between our Company, the Registrar to the Issue, the BRLMs and Banker(s) to the Issue.

iv. Syndicate Agreement dated [●], 2021 between our Company and the Syndicate Members.

v. Underwriting Agreement dated [●], 2021 between our Company and the Underwriters.

vi. Monitoring agency agreement dated [●] entered into between our Company and the Monitoring Agency.

2. Material Documents

i. Certified copies of the Memorandum of Association and Articles of Association as amended from time to time.

ii. Certificate of incorporation dated July 25, 2002 under the name of 'Shri Bajrang Power and Ispat Limited'.

iii. Certificate for commencement of business dated February 5, 2004, issued at Gwalior, by the Registrar of Companies, Madhya Pradesh and Chhattisgarh.

iv. Certificate of registration of order of high court on scheme of amalgamation of companies dated December 7, 2011 issued at Gwalior, by the Registrar of Companies, Madhya Pradesh and Chhattisgarh.

v. Resolution of our Board of Directors dated June 15, 2021 in relation to the Issue.

vi. Resolution of our Shareholders' dated June 18, 2021 in relation to the Issue.

vii. Resolution of the Board of Directors dated July 12, 2021 approving the Draft Red Herring Prospectus.

viii. The examination reports dated July 12, 2021 of the Statutory Auditors, on our Company's Restated Financial Information.

ix. Copies of the annual reports of our Company for Fiscal 2019, 2020 and 2021.

x. The report on Statement of Possible Tax Benefits dated July 12, 2021 from the Statutory Auditor.

xi. Consent of the Directors, the BRLM, the Syndicate Members, Legal Advisor to Issue, International Legal Counsel to the Issue, Registrar to the Issue, Banker(s) to the Issue, Bankers to our Company, Monitoring Agency, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

xii. Consent letter dated July 12, 2021 of the Statutory Auditor to include their name as an expert in relation to their examination reports dated July 12, 2021 on the Restated Financial Information and the report on Statement of Possible Tax Benefits dated July 12, 2021 included in this Draft Red Herring Prospectus.

xiii. Consent from IRR Advisory Services Private Limited, dated July 8, 2021 in relation to the industry report titled "*Overview of Steel Sector in India*".

xiv. Consent of Agrawal & Associates, Chartered Engineer dated July 9, 2021 to include his name in this DRHP.

xv. Scheme of amalgamation between our Company and Shri Bajrang Metallics & Power Limited approved by the High Court of Chhattisgarh, by an order dated November 14, 2011.

xvi. Report titled "*Overview of Steel Sector in India*" dated June 24, 2021 prepared by IRR Advisory Services Private Limited.

xvii. Tripartite agreement dated November 16, 2010 between our Company, NSDL and the Registrar to the Issue.

xviii. Tripartite agreement dated June 22, 2018 between our Company, CDSL and the Registrar to the Issue.

xix. Due Diligence Certificate dated July 12, 2021 addressed to SEBI from the BRLMs.

xx. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.

xxi. SEBI observation letter no. [●] dated [●] received from SEBI in respect of the DRHP.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

(Suresh Goel)
(Chairman and Executive Director)

Date: July 12, 2021

Place: Raipur

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

(Rajendra Goel)
(Executive Director)

Date: July 12, 2021

Place: Raipur

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

(Narendra Goel)
(Managing Director)

Date: July 12, 2021

Place: Raipur

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

(Anand Goel)
(Executive Director)

Date: July 12, 2021

Place: Raipur

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

(Shravan Kumar Goyal)
(Whole Time Director)

Date: July 12, 2021

Place: Raipur

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

(Ravinder Singh Rajput)
(Independent Director)

Date: July 12, 2021

Place: Raipur

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____

(Rakesh Bhargava)
(Independent Director)

Date: July 12, 2021

Place: Raipur

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

(Anshul Dave)
(Independent Director)

Date: July 12, 2021

Place: Raipur

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

(Harsha Rungta)
(Independent Director)

Date: July 12, 2021

Place: Raipur

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

____
(Jayata Prakash Agarwal)
(Independent Director)

Date: July 12, 2021

Place: Raipur

DECLARATION

I 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 Red Herring Prospectus 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. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

(Sandeep Goel)
(Chief Financial Officer)

Date: July 12, 2021

Place: Raipur